FINANCIAL TIMES

No. 26,746 Monday August 18 1975 10p

CONTINENTAL SELLING PRICES: AUSTRIA Sch.22; BELGIUM Fr.20; DENMARK Kr.2.75; FRANCE Fr.2.20; GERMANY DM1.70; ITALY L.300; NETHERLANDS Fl.1.50; NORWAY Kr.2.75; PORTUGAL Esc.15.00; SPAIN Pta.30; SWEDEN Kr.2.50; SWITZERLAND Fr.1.50.

NEWS SUMMARY

GENERAL

FBI rescue liquor heir

Kidnapped liquor heir Samuel Bronfman, 21, was rescued by FBI agents who broke into a Brooklyn apartment. The $2.3m. ransom paid by his father on Saturday was recovered from a nearby building.

A New York City fireman and an Irish-born U.S. citizen in the car business were arrested at the apartment and charged with extortion. A firearm was taken away.

Bronfman, whose father Mr. Edgar Bronfman, is head of Seagram's, the $1bn. liquor concern, was found bound and blindfolded. The FBI said he was in good health and had been held in the flat for the entire eight days. He had not been buried alive with limited amounts of air and water, as had previously been feared.

Troops save Cunhal

Portuguese troops rescued Communist Party leader Alvaro Cunhal from a rally in the market town of Alcobaca in the rural north after several hundred demonstrators surrounded a building, shouting "Death to Cunhal."

The pro-Communist Prime Minister, General Vasco Goncalves, has publicly admitted that his Government of soldiers and unaffiliated Marxist technocrats is unable to function, implicity criticising his supreme directorate associates, President Costa Gomes and General Otelo de Carvalho. Page 7

Seat belts call as coach toll rises

The death toll in the M6 holiday coach crash between Sandbach and Holmes Chapel, Cheshire, rose to six. Seventeen of the 42 injured are still in hospital, five seriously ill.

The crash seems certain to increase pressure on the Government to make safety belts compulsory in coaches. Mrs. Anne Taylor, Labour MP for Bolton W. said it would be feasible to fit lap seat belts similar to those on aeroplanes.

Golden day for British sport

British men had a golden sports day in Europe. Athletes and swimmers won three gold medals. In Nice, in the Europa Coup atheltics, Brendan Foster won the 5,000 metres in 13 min. 36.2 sec., beating Finland's Olympic champion Lasse Viren; Steve Ovett won the 800 metres; and our four by 400 metres relay team beat the field. In Moscow Britain finished second to the USSR in the European swimming championships. David Wilkie won his third gold in the 200 metres breast-stroke, Brian Brickley the 200-metre butterfly and the men the four-by-200 metre relay.

Kuts dies at 48

Vladimir Kuts, winner of the 5,000 and 10,000 metres in the 1956 Olympics and world record-holder for these distances in the 1950s, died in Moscow of a heart attack, aged 48.

Simon pure

Anglican clergymen will no longer have to declare at induction services that they have not committed simony—buying and selling jobs in the Church—under proposed changes to Church of England laws.

Japan typhoon

At least seven people were killed and 32 injured when Typhoon Phyllis hit S.W. Japan, causing landslides, power failures and transport disruptions. More than 1,250 houses were destroyed and 1,700 are flooded.

Briefly . . .

Mr. John Pollitt Davidson, who had been extradited from West Germany, was remanded in Manchester at the week-end on a charge alleging conspiracy to defraud the National Westminster Bank of £460,000.

BUSINESS

Rise of $2\frac{1}{2}$% in money supply

● MONEY SUPPLY on the narrower (M1) definition increased $2\frac{1}{2}$ per cent. in the month to mid-July after two months of exceptionally small rises. This leaves the overall picture of an increase below recent inflation rates unchanged. The banks' liquidity rose, with their combined reserve ratio up from 14.6 to 15 per cent.
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● TUC and the Prime Minister are considering extensive changes in the way union leaders are appointed to public bodies, as a result of union dissatisfaction with the present system.
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● SWAN HUNTER management and unions may decide to-morrow to seek advice jointly from the Department of Employment on how they can settle a six-week pay strike by 5,000 shipyard workers within the Government's £6 pay policy.
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● ATOMIC industry union leaders have abandoned 50 per cent. pay claims made before publication of the Government's anti-inflation White Paper and will press instead for the maximum possible under the £6-a-week limit.
Page 6

Car imports threaten 12,000 jobs—APEX

● APEX is launching a "Buy British Cars" campaign to-day. The union says a study it carried out into prospects in the industry showed 12,000 jobs would be lost this year at Britain's four main manufacturers if foreign car sales continued at their present level.
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● NEW FORD ESCORT—the top selling car in Europe since April—is now challenging Japan's hold on the lower-cost car market elsewhere, notably South-East Asia. Total export orders for the model have now reached £35m.
Page 4.

● INVISIBLE EXPORTS earned by U.K. ships were a record last year and enough to pay for a fifth of the nation's food imports, says the General Council of British Shipping.
Page 4

● PRIVATE SECTOR steel representatives want the European Commission to consider limiting the import of special steels into Britain.
Page 4

Iran consultancy deal for Cable and Wireless

● CABLE AND WIRELESS has been appointed joint consultant for Iran's £100m.-plus telephone exchange building programme.
Page 4

● OPEC experts meet in Vienna to-day to decide by how much the price of oil should be increased. A meeting of member-States' Ministers in June decided the price should be raised from October 1.

● SPERRY UNIVAC has won the biggest computer order placed in the West by the Soviet Union—a £5m. contract for an international reservations system for Aeroflot.
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COMPANIES

● WESTMORELAND Investments property group has received a further £5m. financing from the Electricity Supply Industry's Superannuation Schemes—its largest shareholder. The company has made a £10m. provision against the fall in the value of its property portfolio.
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● TRICENTROL, the oil products and motor group, is seeking to alter its borrowing powers to keep separate from general corporate borrowings a debt facility for exploration of up to £75m.
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FEATURES

ON OTHER PAGES

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Crucial week for £6 limit as TUC issues guidelines

BY RICHARD EVANS AND JOHN WYLES

The campaign to win widespread backing for the Government's new £6 pay limit gathers pace this week, with the TUC to-day reaffirming the "central importance" of the social contract, a television appeal for its support by the Prime Minister on Wednesday and the completion on Friday of the crucial miner's ballot on the policy.

With full-page national newspaper advertisements explaining the Government's policy also due to appear on Wednesday and a distribution next week of pamphlets on the anti-inflation fight to all households, these developments will provide the backcloth to the TUC's annual Congress in a fortnight which is expected to record a majority of about two to one in favour of the £6 policy.

At the Congress, unions will be voting on a document published to-day which has already been approved by the TUC general council and which contains the guidelines to union negotiators which have been annexed to the Government White Paper, the Attack on Inflation.

Thus, the unions will be voting for or against Government policy, and the outcome of the vote on the document at Congress will be judged as a crucial test of union acceptance of the £6 flat-rate limit on pay rises over the coming year.

In its document, The Development of the Social Contract, the TUC general council argues unambiguously that wages at present are playing a major part in the development of inflation. It rejects the view, which it says may be held by "some trade unionists," that "the level of wage claims and wage settlements can never cause economic difficulty."

In a speech on Saturday, Mr. Len Murray, the TUC general secretary, referred specifically to Left-wing opposition to the Government's policy and said that any union rejecting the £6 limit had a responsibility to produce alternative measures.

"Some people seem to think you get instant Socialism to solve our problems at a stroke, to coin a phrase," he told the TUC's south-west regional council in Bristol.

The attitude of one union whose backing is essential for the future of the policy, the National Union of Mineworkers, will be determined by the end of the week when all of the NUM's 260,000 members will have had the chance of voting on the issue.

Snub

The official result will not be known until the Electoral Reform Society finishes its count early next week. But reports from individual pits which have already balloted and where local officials are not averse to making their own unofficial count point to a clear majority for the NUM national executive's recommendation to support the £6 plan.

Majority endorsement of this line by the miners will ensure that support for the Government already pledged by unions holds firm at the Congress. It will also mean that, providing the £6 policy does not collapse for other reasons, the NUM is set fair for a peaceful settlement in its pay negotiations next year.

A clear NUM verdict in favour of the Government's policy will also be a tremendous snub for the union's leading Left-wingers, notably Mr. Arthur Scargill, the Yorkshire president, and Mr. Mick McGahey, the NUM's Communist vice-president.

Both have supported calls by their area executives for a "no" vote and Mr. Scargill left for holiday 10 days ago with strong indications that a majority of his 66,000 members were voting against his militant stand. Mr. McGahey has until Thursday when his Scottish miners vote, to campaign for a rejection of the national executive's recommendation.

The Prime Minister, on holiday in the Scillies, spent part of the week-end preparing for his TV broadcast.

Mr. Wilson clearly regards the broadcast, which will help launch the Government's massive propaganda drive in favour of the £6 limit, as one of the most important of his political

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U.S. recovery this year is predicted by OECD

BY ROBERT MAUTHNER

PARIS, August 17.

A RECOVERY in the U.S. economy in the second half of this year, leading to a rise in real GNP at annual rates of 6 to 6.5 per cent. in the third and fourth quarter, is forecast by the Organisation for Economic Cooperation and Development secretariat.

The prediction, in its latest survey of the American economy, is made with the OECD's habitual caution and tendency to hedge all bets. But after all the qualifications and reservations have been taken into consideration, the secretariat finally comes to the conclusion that "there are indications that the fall in activity is coming to an end."

It notes, for instance, that the long and sharp decline in housing starts was arrested in the first quarter and that "a sizeable pick-up" was recorded in May. Small increases in employment have also been registered in recent months and the fall in industrial production has slowed down considerably.

The recovery forecast for the second half of this year is based mainly on three factors:

1—The significant change in fiscal and monetary policies to stimulate demand and, specifically, the large tax cuts which took effect in the second quarter;

2—The fact that hourly wage rates are currently rising faster than consumer prices, reversing the earlier decline in real wages;

3—The likelihood that inventory liquidation will become much more moderate in the second half of 1975.

"As usual," the report is quick to add, "the timing and strength of the recovery are subject to great uncertainty, but in view of the above factors, it seems reasonable to expect a recovery of activity led by private consumption and residential construction as from the third quarter."

The expansion, however, may slow down again in the first two quarters of next year as the measures to stimulate the economy diminish.

And the increase in employment, given the rapid productivity gains which are normally a feature of the early stages of an economic recovery and the probable lengthening of working hours, is likely to remain moderate. In the middle of 1976 unemployment could still be above the 8.5 per cent. mark.

Investment

Apart from private consumption, which will be given "a real boost" in the current quarter by the large tax rebates adopted earlier this year, and residential building, other elements of final demand are likely to remain weak, according to the report.

Government spending may show only slight increases over the next year and both the Administration and Congress could well be cautious about deciding on new spending programmes because of the prospect of a large budget deficit.

Non-residential fixed investment is also likely to remain depressed in the foreseeable future, since business investment normally lags behind in cyclical recoveries, and the OECD expects the lags to be even longer in the current situation.

Criticism of U.S. economic policy, particularly its failure to respond rapidly enough to changing circumstances, clearly emerges in the carefully worded conclusion.

The report suggests that the tight policy stance maintained during most of 1974 was "a major reason" for the present downturn of the economy. "While a perfectly steady growth of aggregate demand at the desired level of resource utilisation is hardly attainable, there would nevertheless seem to be considerable scope for improvement in relation to the performance of the last decade," it adds.

Shifts in fiscal policy, in particular, take too long in the U.S. and tend to come too late from the point of view of good demand management. More flexible arrangements, of the kind that have already been adopted by other OECD member countries, should be introduced in the U.S., according to the report.

The need for a fast adjustment of policy is particularly great given the present uncertain short-term outlook. The strength of the expected recovery could be so great once consumer confidence is restored that it might lead to an excessive increase in demand pressure requiring very rapid action to keep down prices.

A prompter policy response is thus required in the U.S., according to the OECD secretariat. A point on which it cannot quite make up its mind is whether such a response will be needed to prevent a resurgence of inflationary pressures or to take new stimulatory measures in 1976 if the expected upturn fizzles out.

Official IRA urges peace talks

BY GILES MERRITT

DUBLIN, August 17.

A "SUMMIT MEETING" of the leaders of Ulster's paramilitary private armies was urged to-day by the Belfast Command of the Official IRA to halt the round of vicious sectarian reprisal killings.

The Officials' move came during a week-end that has remained surprisingly calm. Following a week of violence with 11 deaths and 200 other casulaties, as both Protestants and Republican paramilitary groups carried out tit-for-tat attacks, it had been feared that this week-end would be at least as bloody as last, which culminated on Sunday night in two fatal shootings during pitched gun-battles in West Belfast.

The Official IRA statement said: "The pattern whereby a paramilitary group from one section of the community murders innocents of another religion to-day in retaliation for the atrocity of another sectarian paramilitary group yesterday must be halted."

The summit invitation was issued to all Northern Ireland's paramilitary organisations, which at the last count totalled upwards of 35; but it was clearly aimed at the Provisional IRA and the Marxist-orientated Independent Republican Socialist Party on the Catholic side and the two chief Protestant groups, the Ulster Volunteer Force and Ulster Defence Association.

Rees warning

Both the UVF and IRSP were singled out on Friday by Mr. Merlyn Rees, the Ulster Secretary, as increasingly involved in the latest round of terror killings. In a communiqué after an emergency security conference, which he had broken off his holiday to hold, Mr. Rees warned the gunmen of both communities that he would not hesitate to use internment to stop the wave of violence.

As if in reply, two separate bomb explosions in Belfast claimed within hours another life and almost 100 casualties, although responsibility has not been claimed for either attack.

To-night both the UDA and Provisional IRA were apparently still considering the summit idea, while the UVF said it viewed the summit proposal with "suspicion."

In its statement the Officials had emphasised that they believed the "paramilitary groups have it in their power to bring such outrages to an end, or to at least isolate those responsible."

● Cardinal Conway, Roman Catholic Primate of All Ireland, hit out at "monsters" responsible for recent murders in Ulster.

In a statement issued in Armagh he said he knew that in expressing his horror and revulsion at them he was expressing the feelings of the overwhelming majority of people in Ulster.

"Each of the victims of these murders had years of life ahead of him, many of them long years of happy family life. What kind of monster can wipe out all that in a single instant?"

Troops broke up an anti-internment march of about 200 on the outskirts of Belfast towards the Maze Prison. Soldiers cut them off, and after stones and bottles were thrown and rubber bullets fired the demonstrators quickly broke up.

Priorities plan for social spending

By Richard Evans, Lobby Correspondent

A FAR-REACHING plan to make the Government's social expenditure programme more effective by co-ordinating the spending policies of various departments is disclosed to-day in a report prepared by the Central Policy Review Staff, or "Think Tank."

The programme, which could have an important impact on the way Whitehall reaches its decisions on the allocation of money for the social services, has already been approved in principle by Ministers. Its primary aim is to develop a more coherent means of deciding priorities between the Department of Health and Social Security, the Department of Education and other spending Ministries.

The CPRS report—only the second to be published since it was set up by Mr. Edward Heath in 1971—gives no indication of future cuts in the social services but the clear implication is that at a time of economic difficulties there is little prospect of expanding services and methods must be found to use the available public money more effectively.

The programme for action rests on one key assumption, according to the report. If a joint and more coherent approach to social policies was to have any chance of success, departments and Ministers must be prepared to make some adjustments, whether in priorities, policies, administrative practices or public expenditure allocations.

Boundaries

It is suggested that a group of senior Ministers most closely concerned should meet about every six months, not to reach executive decisions, but to give an opportunity for broad discussions from which guidelines on priorities might develop.

"The present economic situation makes it more important than ever to ensure that priority is given to the greatest needs and that resources are used as effectively as possible," the report states.

The programme itself, as approved by Ministers, falls into two main parts. First, improvements in the ways decisions are made and in the information on which they are based. The CPRS recommends regular "forward looks" in Whitehall surveying the range of decisions likely to be submitted to Ministers in the next year or so. Second, there should be a series of studies of specific problem areas.

A Joint Framework for Social Policies: HMSO 65p

Kissinger will fly to Middle East

BY ADRIAN DICKS

WASHINGTON, August 17.

Dr. Kissinger . . . hopeful

DR. HENRY KISSINGER, the U.S. Secretary of State, is to leave for the Middle East on Wednesday in what, it is hoped here, will be the final round of diplomatic consultations leading to an interim peace agreement between Egypt and Israel in the Sinai peninsula.

The Secretary's new initiative was announced to-day from Vail, Colorado, where he has been holding intensive consultations on the Middle East situation at President Ford's holiday retreat.

The official statement was preceded by apparent acceptance by the Israeli Cabinet of the main elements of the package under discussion for several weeks. These are believed to amount to Israel's withdrawal from the strategic Gidi and Mitla passes and abandonment of the Abu Rudeis oil-field, in exchange for Egyptian guarantees of non-belligerency and a U.S. promise of future security of oil supplies.

The element that has done most to raise hopes here that a peace agreement is now in the offing has been Dr. Kissinger's previous insistence that he would not consider embarking on a new shuttle unless he felt there was at least a 90 per cent. change of success.

This afternoon, Dr. Kissinger told reporters that he preferred not to set a percentage chance on the outcome of the new round of talks. But he said there was a very good probability" that an agreement would be reached, observing that this would be the first time that any Arab state had managed to conclude an accord with Israel, other than under conditions of open warfare. He added that the agreement would be "a very complicated step, involving mutual arrangement on both sides."

The Secretary said there would be no formal time limit set on his negotiations, but indicated that he hoped to see some result within 10 days. He also remarked that, while the setting of a percentage probability of success would be a misleading exercise, a failure of the negotiations would be a "100 per cent. failure."

This last remark was taken by observers here to-day to be the Ford Administration's latest in a series of warnings to Israel that American patience might not survive another refusal by Tel Aviv of the terms apparently being offered by President Anwar Sadat of Egypt.

Meanwhile, in an effort to clear up some of the preliminary problems, Dr. Kissinger's chief assistant for Middle Eastern affairs, Mr. Joseph Sisco, held a two-hour meeting to-day with Mr. Simcha Dinitz, the Israeli Ambassador to the U.S. Neither would comment afterwards on the subject of their discussions.

Nor has there been any official word on the reaction of the Israeli Cabinet, during its crucial meeting earlier to-day, to the main elements of the package which Dr. Kissinger must now attempt to sell to both sides.

It appears clear, however, that the U.S. has provided assurances now on several of the points which have caused concern in Israel and helped to give the Rabin Government such hesitant endorsement from the public opinion polls.

In exchange for the return of the Abu Rudeis oil field, the U.S. is now believed to have offered a guarantee of Israel's future oil supplies, to supplement the formal promise already made by the Shah of Iran that his country would maintain its traditional supplies.

The Administration is also understood to have put the finishing touches to a scheme under which American personnel would take over [illegible] of the Israelis' key monitoring stations in the Sinai, and has also moved to reassure Congress that the men concerned would be a small, volunteer force armed only with the means for self-protection. It would not in any sense be a peace keeping force that could stand between Israel and Egypt in any future conflict.

Finally, the U.S. has been dangling in front of Israel the prospect of agreement to its outstanding request for the next part of $2bn. in military and economic aid, which has been under discussion here for the past week or more.

Newsweek magazine reported to-day that all these points may now be expressed by the Administration in the form of a sweeping resolution to be put to Congress.

LOMBARD

Government by the minority

BY JOE ROGALY

MOST of us will feel obliged to support the appeal for national unity and self-restraint in a time of economic crisis that the Prime Minister plans to launch on television next Wednesday. The country is in serious economic difficulties, and the Government's counter-inflation policy is the only one we have got. There is room for argument about whether any wage restraint that is exercised will be the result of the downward plunge of the economic cycle rather than of any official exhortation, but such doubts will not prevent the majority of people who consider themselves to be "responsible" or "patriotic" from applauding Mr. Wilson's intentions. This is all right so far as it goes, provided that it is made absolutely clear that what is being supported is the well-being of the country rather than any spurious claim to national leadership.

For Mr. Wilson and his colleagues really forfeited their right to such a claim by their behaviour between February, 1974, and the month after this year's referendum on British membership of the European Common Market. Twice last year they found themselves in office as a result of the luck of the electoral draw—nothing more. On both occasions seven out of ten of the people eligible to vote in this country either voted for one of the opposition parties or stayed at home.

In spite of this clear rejection of the manifestoes under which those two elections were fought the Labour Government made no effort to tailor its policies to what it knew very well most people would have wanted. The nationalisation schemes prepared by the extreme Left within the Labour Party were rolled out and given to Mr. Wedgwood Benn to implement, even though opinion polls have shown more than once that less than a tenth of the voters approve of any such thing. The municipalisation of all rented property, the takeover of development land by local councils, the extension of official *fingers into every industrial pie* by means of the Industry Bill were all proceeded with, just as if that was a nationally-approved economic policy. There is little doubt about the widespread disapproval of these collectivist measures: the polls show it, and the steady decline in support for the Labour Party underlines it.

Of course everything changed with the referendum. That did produce a truly national result, under all-party leadership. Since then the Government's change of policy—in what must be the 'mother and father of all U-turns—has led it to erode, soften, or abandon some of its more objectionable economic measures. It has turned itself from an administration willing to nationalise British Leyland to one unwilling to support lame ducks in the case of NVT. The Industry Bill is becoming a shadow of its former self (and just how much the Commons tries to restore *next month will be a* test case). On several other fronts the Government is in full retreat from the minority-of-a-minority economic policies of the pre-referendum era. And it must be *acknowledged* that the initial public reaction to the announcement of the £6-a-week package has been extremely favourable—so far.

Propaganda

Yet these recent conversions are not sufficient to make Mr. Wilson's a "national government." For one thing it is again carrying out an economic strategy that nobody voted for, even though most people may approve of this one for the moment. For another many of its collectivist policies are still being pushed through in spite of the U-turn: the Bill to turn local councils into estate agents has not yet been abandoned. And it is still allowing itself to be led by the non-elected Trades Union Congress.

Yet from next week we shall be subject to a barrage of advertising and propaganda that would normally be justifiable only in wartime. There will be full-page advertisements in every newspaper, and a pamphlet distributed to every door. Unlike the referendum pamphlets, there will be no counter-pamphlet this time: just the one view. There is a lot to be said for such a campaign conducted by a truly national government—one that a convincing majority of the people had shown they were willing to support. Some people do equate the present peacetime economic difficulties with a wartime emergency and on that ground alone a government propaganda unit may make some sense. And, as I said at the beginning, most of us will want *to support the principal objective* of the expected campaign, which is presumably to reduce the rate of inflation. But that is all there is to it: it would be fallacious to extend that feeling for the nation's well-being to something larger, something suggesting that we have a national government.

LAWN TENNIS — BY JOHN BARRETT

Paucity of talent underlined

THE BRITISH under-21 men's championship has gone overseas for the first time since Australia's Davis Cup player-to-be, Bill Bowrey, won the inaugural title in 1962.

New Zealand's Chris Lewis beat the Lancashire boy, Willie Davies, 6—4 6—4 in a 50-minute final of the championship — sponsored by Anchor Chemical—at the Northern Club, Manchester, on Saturday.

The result underlines the paucity of talent at this level (even remembering that Britain's best four players are *engaged in America*). Talented though he undoubtedly is, Lewis was young enough to win the under-18 singles at Wimbledon.

To add to British embarrassment, one must add that Davies has developed in the hothouse atmosphere of American college tennis. For two years he has been at the University of Alabama, where he is the No. 4 singles player—and Alabama is not even in the top ten of American colleges.

The women's title went to the little Cheshire girl, Belinda Thompson, who beat Annette Coe, the left-handed holder 6—3, 8—9, 6—1, in a match that *contained 11 service breaks.*

This is the season when British teams invade Europe in quest of those elusive team titles. The under-18 boys are trying for a first Valerio Cup success, and *the girls are seeking to re*capture the Princess Sophia Trophy.

Round-robin

*Miss Thompson, too, will repre*sent Britain in Europe this week. She travels to Brussels for the finals of the Tournoi de l'Esperance, a six-nation round-robin event involving, some 30,000 competitors.

It was held for the first time in Britain last year, when the home team, on Wimbledon grass, won for the second time since entering the competition four years ago.

The strong-serving left-hander from Norwich, Martin Smith, will join Miss Thompson. In yesterday's play-off on hard courts at Queens Club, he beat the more fancied Somerset boy, Martin Cornish, 7—6, 6—2 after saving two set points on his serve in the opening set.

Having seen Cornish lose creditably to Lewis at Manchester in Friday's semi-finals. *I was surprised* at his inability to adapt to the slower and higher bounce of the hard courts.

Another annual event of national importance was concluded on Saturday at Queens Club—the *48th finals of the* Evening News tournament. This has been the stepping-stone for many aspiring players, some of whom have made the grade—among them Fred Perry, Christine Janes, Virginia Wade, Bobby Wilson, Buster Mottram and David and John Lloyd.

Of the total entry of 2,256, with three age groups for each sex, 582—almost *a quarter*—were in the under 15 girls' section. It is an interesting reminder of the greater importance attached to the game in girls' schools and a factor which contributes to *the greater relative success of* our women at international level.

While there were no obvious future champions on display on Saturday, loyalty prompts me to note the success of the tiny fair under-12 boys' winner—*David* Crichton-Miller, who has a true competitive instinct for an opening and a mighty forehand in miniature. He is the son of Financial Times writer, Lucia van der Post.

CRICKET — BY TREVOR BAILEY

Home and dry, bar rain

ENGLAND ended a grimly efficient Saturday 184 for three, which gives them an overall lead of 337 and, unless rain interferes, should ensure they win the Third Test comfortably to level the series.

The position is not dissimilar to the Lord's Test at the same stage, except that the pitch at Leeds is a vastly different proposition because, though lacking in pace, it does give considerable encouragement to both seam and spin.

On this wicket I would not expect the Australians to muster *350, let alone the 400-plus that* Tony Greig will presumably set them around lunch-time to-day. Although it is difficult to believe that Ian Chappell and company can bat as ineptly in the *second innings* as they did in their first, they do appear vulnerable whenever the balls turns appreciably, as it surely must in the remaining two days.

Lillee and Thomson resumed *for Australia on* Saturday morning against the spin duo, Edmonds and Underwood, who had been largely responsible for the rout of the previous day. Aided by a dropped catch, a little luck *and the occasional* hearty hoick the two pace men prospered until Snow replaced Underwood and quickly accounted for both of them.

Wood and Edrich emerged to face Lillee and Gilmour with a new ball and the comforting knowledge that their side were already 153 runs ahead. Both had problems, but survived until lunch, with Gilmour looking the more dangerous of the bowlers.

England batted patiently throughout the afternoon for the loss of their openers against an attack comprised of four pace men and Mallett. Most of the runs were acquired from pushes, *nudges* and glances against some steady bowling. It was noticeable that Ian Chappell was less generous in his field placements than earlier in the game and this helped to reduce the scoring rate.

England 288 and 184—3, Australia 135

Fletcher, who was dropped before he had scored and whose recall for this match has proved a psychological error, was caught by Greg Chappell off Lillee in the final session, but the obdurate Steele once again took root. His determination, straight bat and big initial forward movement frustrated the Australian fast bowlers, who by this time must be heartily sick of the sight of his thrusting left leg. He was 59 not out at the close.

Obviously England would have liked more runs and Greig attempted to supply some of the impetus required, but it would be wrong to blame Steele in any way.

He was brought into the team to blunt the Australian attack and has succeeded above all expectations. He is not a dashing stroke-maker but is essentially an occupier of the crease and a steady accumulator.

Two players of this type are a blessing to a side, because they provide balance and solidarity, but the present England 11 *suffers from the lack* of batsmen—apart from Greig—capable of taking apart an international attack, as distinct from standing firm against one.

If one examines the first-class domestic scene it is noticeable that most of the fast-scoring, match-winning innings come from overseas imports while it is significant that Greig himself learned his cricket in South Africa.

If the West Indies had found themselves in the same position as England on Saturday they would have assuredly scored at least another 70. Although this could have cost them more wickets it would have had the advantage of increasing the chances of victory by providing *more time* in which to dismiss the opposition.

However, England are heading for a resounding win, so one should not worry if their progress was rather pedestrian and their methods *unspectacular.*

RACING — BY DOMINIC WIGAN

Piggott to be king of the Leger

NOW THAT Lord of the Dance, the ante-post favourite, is out of the St. Leger because of a training mishap, Lester Piggott will ride another of Vincent O'Brien's top-class three-year-olds in the *final classic*, King Pellinore.

This half-brother to Thatch and Lisadell was running on as strongly as any when taking second place behind Grundy in the Irish Sweeps Derby at The Curragh in June.

Provided he is now fully recovered from a minor sinus infection, he should land the Blandford Stakes in 12 days' time before bidding to become another St. Leger winner for O'Brien and Piggott.

Sea Anchor, who seems likely to dispute favouritism with King Pellinore at Doncaster next month (they are present joint favourites at 4-1), will be expected by many to land York's Great Voltigeur Stakes on Wednesday without too much fuss.

Although he finished over six lengths behind King Pellinore when fourth in the Irish Derby, Sea Anchor will be ideally suited by the additional quarter of a mile and stiffer track at Doncaster and a reversal of The Curragh placings with King Pellinore is far from inconceivable.

Another probable starter for Britain's oldest classic is Consol, *who ran on so gamely when re*pelling the determined late flourish of Shebeen in Newbury's Geoffrey Freer Stakes on Saturday. The Seven Barrows colt, who took Peter Walwyn's winnings for the season to almost £290,000 with this sucess is generally on offer at 10-1.

WINDSOR
2.30—Penny Arcade*
3.00—British Warm
3.30—Miss Chelsea
4.00—Tudor Lord
4.30—Final Call
5.00—Murray Flash**

LEICESTER
2.15—Rosalina
3.15—Lord Helpus***
3.45—Major Tory
4.15—Light Infantry

That popular and top-class mare, Dibidale, who broke an off-fore pastern when slipping up approaching the home straight in the Geoffrey Freer, is reported to be responding well to treatment after her accident. It seems probable she can be saved.

One of the best-looking mares in training, Dibidale, considered by Rheingold's handler, Barry Hills, to be the best horse he has ever trained, might well have added this year's Prix de l'Arc de Triomphe to her list of successes had she shown the return to form expected of her in Saturday's race.

*Half an hour after the Geof*frey Freer, Hills, whose South Bank, Lambourne, establishment has been winning more races than any other stable in the country during the past four or five weeks, had further ill fortune when Inkuband failed by three-quarters of a length to hold the brilliantly ridden Echo Summit in the William Hill Handicap.

Turning to to-day's racing, *Lord Helpus* seems likely to be another one for the South Bank stable in the Bagworth Plate (3.15) at Leicester; while *Murray Flash* can hold off *Watch-Bear* and *Love Rocket* in Windsor's Skyport Plate (5.0).

Britain's men swim second

MOSCOW, August 17.

BRITAIN'S MEN won three gold medals and three silver in the European swimming championships here to-day. The Soviet Union regained the title for the first time in four years.

Britain won in a thrilling finish in the 4 x 200 metres relay, the final event, to total 116 points. USSR scored 125, and Sweden 74 points.

David Wilkie gained his third gold of the championship by winning the 200 metres breaststroke

SOCCER — BY TREVOR BAILEY

There may be a silver lining

THE 92 CLUBS of the Football League, whose programme, thought over-long by many critics, opened on Saturday, are faced with rising costs, galloping inflation, and the prospect of falling gates. To make matters worse, the bottom has droped out of the transfer market. A club, such as Leeds, whose playing staff last year might have been *valued at, shall we say,* £2½m., now finds the worth of this asset has been cut in half.

Although many transfer fees up until last year have been unrealistically high, it should be appreciated that most of the money thus expended was ploughed back into the game. The few wealthy clubs often preferred to spend money on extra players to avoid tax on profits, while some of the remainder relied on the sale of players to balance their books.

Although the outlook for professional soccer is disturbing, there are several optimistic signs and it should take heart by the big revival of interest in cricket this summer. One of the more hopeful pointers was that attractive, and entertaining teams did so well last season. Derby County were the League champions and West Ham, though rather more abrasive than normal, won the Cup. Stoke and Burnley were almost invariably worth the price of admission.

Justinian is on holiday. His column will resume on Sept. 1

Too frequently the clubs gaining promotion from the Second Division have achieved their success mainly through effort and dedication plus a little luck, rather than through football skill and ability. This certainly did not apply to either Manchester United or Aston Villa, who are back where they belong. Both should do well, and it would not surprise me if they finished in the top half of the table, and went far in the cups.

I would be more enthusiastic about Manchester United, who *started well with a fine away* victory at Wolverhampton, if they did not attract so many moronic, swaggering teenage thugs, who regard a match as an excuse for pillage and violence.

Although football may be a business, it is also a game and should be *fun to play*. Coaches, managers, directors and even players themselves often appear to have lost sight of this fundamental. They have become so afraid of defeat that fear *replaces enjoyment. This is to* some extent understandable, as the livelihood of the first two categories often depends on success based upon points acquired rather than entertainment provided.

In recent years there has been too much emphasis on work-rate, and not enough on flair. The result has been a tendency for the moves and the overall pat*tern to become predictable.*

It is possible that this season heralds the start of a new era: with footballing sides capturing the honours, cloggers on the decline, and Revie's men winning the European Nations' Cup as a preliminary to their assault on the World Cup.

TV Radio

† Indicates programme in black and white.

BBC 1

10.00 a.m. Wacky Races. †10.10 Robinson Crusoe. 10.35 The Record Breakers. 11.25 Cricket: Third Test, England v Australia. *1.30 p.m. Andy Pandy.* 1.45 News. 2.15 Cricket: Third Test England v Australia. 4.23 Regional News (except London). 4.25 Play Away. 4.50 Screen Test. 5.15 Here Come The Double Deckers. 5.40 Sir Prancelot.

5.45 News.
6.00 Nationwide (London only).
6.25 Tom and Jerry.
6.30 Sportstown.
7.10 Star Trek.
8.00 My Honourable Mrs.
8.30 The Likes of . . . Brian Clough.
9.00 News.
9.25 The Monday Film: "Alfie," starring Michael Caine.
11.15 Read All About It.
11.45 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—1.30-1.45 p.m. Pili Pala. 6.00-6.25 Wales To-day. 7.10-7.30 Heddiw. 7.30-8.00 Sykes. 11.15-11.45 Cynfas. 11.45 News for Wales.

Scotland—6.00-6.25 p.m. Reporting Scotland. 11.45 Scottish News Summary.

Northern Ireland—4.23-4.25 p.m. Northern Ireland News. 6.00-6.25 Scene around Six. Northern Ireland News Headlines.

England—6.00-6.25 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight *South West (from Plymouth).*

BBC 2

7.05 a.m. Open University.
11.00 Play School.
4.30 p.m. Cricket: Third Test. *England v Australia.*
6.40 Open University.
7.30 Newsday.
7.45 Look, Stranger.
8.10 High Chaparral.
9.00 Horizon.
9.50 Centre Play.
10.20 Cricket. *Test Match Highlights.*
10.50 News Extra.
11.20 Closedown: Georgine Anderson reads "For Emily Dickinson," by Elizabeth Jennings.

LONDON

10.30 a.m. The Houndcats. 10.50 A Big Country. 11.20 Spiderman. 11.40 Galloping Gourmet. 12.05 p.m. Bush Boy. 12.30 Hatty Town. 12.40 Pipkins. 1.00 First Report: News, FT index. 1.20 Lunchtime To-day. 1.30 Gambit. 2.00 Good Afternoon. 2.30 "The Nutty Professor," starring Jerry Lewis. 4.20 Clapperboard. 4.50 The To-morrow People. 5.20 Musical Triangles.

5.50 News from ITN.
6.00 To-day.
6.20 Crossroads.
6.45 Whodunnit?
7.30 Coronation Street.
8.00 Man About The House.
8.30 Gosling's Travels.
9.00 Sam.
10.00 News.
10.30 Cimarron Strip.
11.55 It Matters To Me.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 1.30 Afloat. 2.00 Houseparty. †2.30 Monday Afternoon Film: "Knight Without Armour." 5.20 The Merrie Melodies Show. 6.00 About *Anglia. 10.30 The Brian Connell Interviews*—Donys Lasdun. 11.00 Police Surgeon. 11.25 Anthology.

ATV MIDLANDS

1.20 p.m. Lunchtime Newsdesk. †2.30 Monday Matinee: "Anything Can Happen" starring Jose Ferrer and Kim Hunter. 5.20 The World of *Model* Railways. 6.00 ATV Today. 10.30 Platform for Today. 11.15 A Place in Europe.

BORDER

†1.25 p.m. Border News. 2.00 Houseparty. 2.30 Monday Matinee: "The Prodigal" starring Lana Turner and Edmund Purdom. 5.20 The Beachcombers. 6.00 Border News and Lookaround. 6.15 Out of Town. 10.30 If You're Not Winning, You're Not Trying. 11.30 Night Gallery. 11.55 Border News Summary.

CHANNEL

1.25 *p.m. Channel Lunchtime News.* 2.00 I Was A Stranger. 2.30 The Monday Matinee: "The Mouse That Roared." 5.20 The World of Model Railways. 6.00 Channel News. 6.10 People and Places. 10.30 A Place in Europe. 11.00 News and Weather in French.

GRAMPIAN

12.10 p.m. Arthur of the Britons. 12.35 Lunchtime Call. 1.20 Grampian News Headlines. 2.30 Monday Matinee: "The Last Safari," starring Stewart Granger. 5.20 The World of Model Railways. 6.00 Grampian News. 6.10 Countrywise. 10.30 Pathfinders. 11.25 Evening Prayers.

GRANADA

10.30 a.m. Sesame Street. 11.25 The Rovers. 11.50 Technoflash. 12.15 p.m. Stingray. 1.20 Take Kerr. 2.30 Monday Matinee: "Too Many Thieves" starring Peter Falk and Britt Ekland. 4.15 Cartoon. 5.20 Shang a Lang. 6.00 Granada News. 6.05 Sounding Brass. †10.30 Appointment with Fear: "The Haunting" starring Julie Harris, Claire Bloom and Richard Johnson.

HTV

1.20 p.m. Report West Headlines. 1.25 *Report Wales Headlines* 2.00 *Housecall.* 2.30 The Monday Matinee. 5.20 Rock on with "45." 6.01 Report West. 6.22 Report Wales. 10.30 A Place in Europe. 11.00 Experimental Film Season.

HTV Cymru Wales. As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 2.00-2.30 Hamdden. 6.01-6.22 Y Dydd.

HTV West. As HTV General service except: 1.20-1.30 p.m. Report West Headlines. 6.22-6.45 This Is the West This Week.

SCOTTISH

11.50 a.m. The Yellow House. 12.15 p.m. Alphabet Soup. 1.25 Road and Weather Report. 2.00 Out of Town. †2.30 Feature Film: "Anything Can Happen" starring Jose Ferrer and Kim Hunter. 5.20 The World of Model Railways. 6.00 Scottish News. 6.05 Isabel on Monday. 10.30 Late Call. 10.35 All the Worlds a . . . 11.05 Afloat.

SOUTHERN

11.05 a.m. Simply Metric: Royal Clarence Yard. 11.30 Sights and Sounds of Africa. 11.45 Training the Family Dog. 11.05 p.m. Skippy. 12.30 Hammy Hamster's Adventures on the Riverbank. 1.20 Southern News. 2.00 Houseparty. 2.30 The Brandon Exchange. 3.25 Quick on the Draw. 3.55 About Britain. 5.20 Shang A Lang. 6.00 Day By Day. 10.30 The Adventurer. 11.00 The Odd Couple. 11.30 Southern News Extra. 11.40 Guide*line. 11.45 Farm Progress.*

TYNE TEES

12.35 p.m. Starting Point. 2.00 Housecall. 2.30 Monday Matinee: "The First Men in the Moon," starring Edward Judd. 5.20 The World of Model Railways. 6.00 Today at Six. 6.40 Police Call. 10.30 Barnaby Jones. 11.25 Late News Extra. 11.35 Life with a Capital Jesus.

ULSTER

1.20 p.m. Ulster News Headlines. 2.30 Monday Matinee: "The Magic Carpet," *starring Susan Saint James.* 4.23 Ulster News Headlines. 5.20 Castaway. 6.00 Summer Reports. 10.30 Monday Night. †10.40 Monday Movie: "My Gun Is Quick."

WESTWARD

11.50 a.m. Let's Face It. 12.15 p.m. *The Tomfoolery Show. 12.30 Gus Honey*bun's Birthdays. 1.20 Westward News Headlines. 2.00 I Was A Stranger. 2.30 The Monday Matinee: "The Mouse That Roared," starring Peter Sellers, Jean Seberg and David Kossoff. 5.20 The World of Model Railways. 6.00 Westward Dairy. 6.20 Sports Desk. 10.30 A Place *in Europe.* 11.00 Westward Late News. 11.03 The Summer of '75. 11.25 Faith for Life.

YORKSHIRE

1.20 p.m. Calendar News. 2.30 Monday Matinee: "The Prodigal," starring Lana Turner and Edmund Purdom. 5.20 The World of Model Railways. 6.00 Calendar. 10.30 Emmerdale Farm. 11.30 World Snooker.

RADIO 1 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. [illegible]

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. [illegible]

RADIO 3 464m, Stereo & VHF

7.00 a.m. News. [illegible] Third Test (from 5.45 p.m.: England v. Australia—commentary, including lunch summary 1.35 News. 1.40 Your Letters Answered. 2.00 Lunchtime Scoreboard. [illegible]

RADIO 4

[illegible] The Archers. 7.00 News Desk. 7.30 Frank Muir Goes Into . . . The Visual Arts. 8.00 The Monday Play: "Viviette." by Thomas Hardy (S). 9.30 Kaleidoscope. [illegible]

BBC Radio London

206m and 94.9 VHF

[illegible]

London Broadcasting

261m and 97.3 VHF

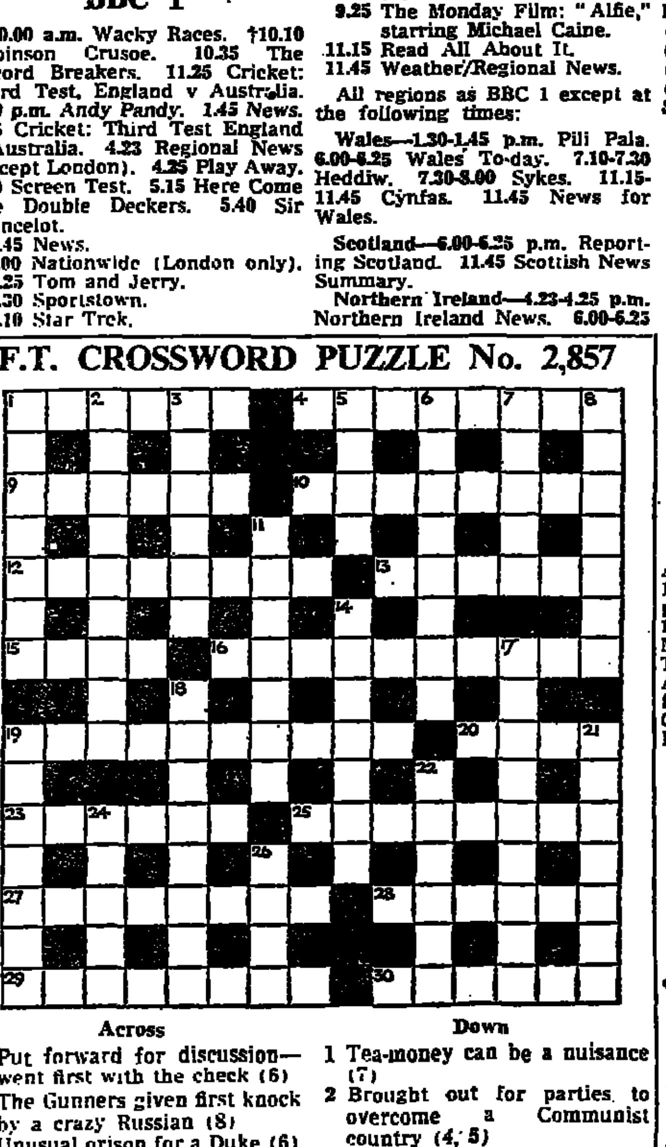
[illegible]

Capital Radio

194m and 95.8 VHF

[illegible]

F.T. CROSSWORD PUZZLE No. 2,857



Across

1 Put forward for discussion—went first with the check (6)
4 The Gunners given first knock by a crazy Russian (8)
9 Unusual orison for a Duke (6)
10 Extrasensory perception in one short day gets the team together (3, 5)
12 Reverses to have a meal taken *by the retiring* (4, 4)
13 Light comes in through humble petition (6)
15 Put out at the turn of the tide (4)
16 A small area in which to bribe the C.I.D. (6, 4)
19 Dessert for lovely girl singer (5, 5)
20 It is a bad sign when no one comes back (4)
23 Classification for one in the Navy (6)
25 "There midnight's all ——" (Yeats) (1, 7)
27 The path to destruction in New York (8)
28 You *need this image to keep* you in condition (6)
29 Anyhow Rex meets the opposites (8)
30 Filled with what is unread (2-4)

Down

1 Tea-money can be a nuisance (7)
2 Brought out for parties to overcome a Communist country (4, 5)
3 Sounds the chap for the pledge (6)
5 He is associated with the current pain (4)
6 Father's attempts to make cakes (8)
7 Really follows yours in epistolary conclusion (5)
8 Not a trace of food for the Russian (2, 5)
11 In the tent mother has a queer turn (7)
14 Refuse the style of dress for a period (7)
17 A couple of masters got in to change the old school (4, 5)
18 Precarious foothold here is little advantage (4, 4)
19 Knock up competent allegory (7)
21 "I was a stupid — maid on breakers always steering" (*Pirates*) (7)
22 Young animal supplies equipment to a number (6)
24 Tipster includes recipe for fish (5)
26 Goods for sale in Herts (4)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

هكذا من الاصل

Victoria, Stoke

Harry in the Night

by B. A. YOUNG

Harry, in John Wain's first play, is a middle-aged provincial hardware merchant, a character made to measure for the Vic at Stoke-on-Trent with its feeling for the world of Arnold Bennett. The success of Harry's three modest DIY shops has given him delusions of grandeur; his business become Hargreaves Enterprises, his secretary Linda is transformed into a PA, and a momentary attack of randiness gives rise to a fictitious business conference and a double bedroom in Hamburg.

One of the pleasures of the play, as of so many productions here, is its clear relevance to its surroundings. Jim Wiggins's Harry and his family might have stepped out from among the encircling audience to ventilate their problems. Harry is the most sharply drawn of them, with his brash confidence and guilty conscience. His wife Mary (Lavinia Bertram) and their children, pregnant schoolmistress Kitty (Jenny Howe) and university dropout Alan (Bernard Latham), are cartoon figures, using the word cartoon as Raphael would have. The same appears at first to apply to brother Bert, an archetypal bench-hand in a Birmingham factory; but it is part of Mr. Wain's strategy to keep Bert dull for the first half of the play, and David Miller reveals his reserves of humanity when the moment arrives.

Interesting and moving, as the Hargreaves family's problems are, Mr. Wain presents them rather flaccidly. Though he is the author of one of the best recent books on Shakespeare, he writes in the manner of Brecht, a mosaic of short scenes punctuated by songs. It seems to me, though, that he has not adequately signposted the main road through his territory. The Hamburg episode and its consequences are treated as the most important of the events related, whereas they are really incidental, and when the time comes for wholesale family relevations, brought on by the burning down of the empty house next door (also an incidental factor), the trip plays no part.

Caroline Harrington, Jim Wiggins and Lavinia Bertram

Moreover the trip itself is given an unbalanced presentation. We see Harry at the airport, in the aeroplane, in his hotel bedroom, in the bar, and all this to tell us that Linda didn't turn up and he visited the Reeperbahn instead. What's more, this visit is shown only through a subsequent nightmare, so we are out of sync; while Harry is still repenting of his night of love, the rest of us are concerned with more recent events.

If Harry's nightmare, or indeed his peccadillo, had had any direct effect on the family, this could have been justified but, apart from a slightly improbable change of personality on his part, this isn't so. So while we extend our sympathies to Mary and Bert in their pathetic liaison; to Kitty, already out of love with the father of her two-month-old foetus; even to Alan who cannot understand that world revolution is no excuse for leechlike idleness—while these three paths are pursued, we are constantly dragged back to imagine Harry's bad dreams, where his innocent whore-mongering is constantly interrupted by the VAT-man, or the lorry-driver from the TGWU, or some metamorphosed Linda (the real one having dropped out quite early), or an elephant-headed figure representing Harry's conscience.

All the same, there is a good deal of able comedy in the play, such as the early establishing scenes of Harry with the traffic warden, the VAT inspector and the driver; and there is genuine concern in the parts of the wife and the daughter. The production is a characteristic Peter Cheeseman feat, swift and true as one scene melts into the next on a stage almost empty of props yet always full of atmosphere.

The music, that seems to stem from thirties-style jazz with a faint suggestion of Debussyan harmony, is played by a little group on a small stage raised high above floor level. It is pretty but hardly memorable. The lyrics, which I take to be John Wain's own, contain a genuine grain of poetry. The drummer of the group (Nick Darke) periodically comments on the events going on below him as if he were the voice of God. I could have hit him, if I could have reached.

Hampstead Theatre Club

Fanshen by MICHAEL COVENEY

Earlier this year, David Hare's skilful adaptation of William Hinton's massive book about the Chinese land revolution provided me with one of the most rewarding evenings I have ever spent in a theatre. With several cast changes and a few minor revisions to the text, that Joint Stock production returns for a few weeks to Hampstead and it is with some relief that I can report that the show is as good as it ever was. The directors, William Gaskill and Max Stafford-Clark, have ripped out the front few rows to increase the thrust of the platform stage: the action moves with a commendably impressive fluidity, as an immensely talented cast of nine spell out the effect of the revolution on the small village of Long Bow in the Shansi Province.

The spelling out, I hasten to emphasise, is not done in any grim or righteous way. The stages of education and awareness among the peasants are drawn with a precise wit and, at times, a mischievous humour. "All my life I've been exploited," murmurs a delighted villager as he claims for spoil a landlord's luxurious gown. And once the peasants get down to putting into practice the proposals of the Draft Agrarian Law by classifying themselves as either Poor, Middle or Rich Peasant, the process of self-criticism results in as much internal squabbling as it does in political purpose.

One Poor peasant objects to the classification of a collague as Poor not because he isn't poor, but because he is a bad workman who will benefit from the redistribution of wealth while not, arguably, deserving it; another is roundly attacked for having achieved a modest status through dealing in heroin and other men's wives. The importance of the play lies not in any polemical, tub-thumping support for the Chinese Revolution; rather it documents, with a beautiful lucidity, the growth of political responsibility at a grass roots level.

In this respect, although the historical details are in themselves interesting, the play has a general application. The self-criticism extends, in the second half, to the visiting work party from county headquarters who are forced to re-examine their style and motives due to the slowness with which change is being effected. Even after the drastic revenge on landlords and rich peasants, many of the villagers have not *fanshened*, have not achieved a respectable level of existence. The work team operate, initially, as inexperienced do-gooders, bringing their message to the people with an eager innocence. That changes, and the leader of the team is given a rough ride by the rest for humbly accepting responsibility: "humble's not honest; humble's humble, a way of not being honest." The flavour of that line is typical of Mr. Hare's lightness of touch, and its delivery by Paul Freeman (what a marvellously ebullient and muscular actor he is) quite perfect.

A couple of corrupt and bullying activists in the village are responsible for the wife of one of them denouncing him in public and demanding a divorce. "Women Are Half Of China" reads a red banner as it unfurls from the roof. Although a divorce is impossible as the husband won't agree to it, the episode, powerfully written and acted, gives a vivid indication that the peasants are applying their new-found articulacy to not just materialistic matters, but also to the fundamental questions of how they treat each other as men and women. The same feeling emerges from the gentle encouragement given by the Communist Party secretary to the disillusioned work team: their mistakes of Left Extremism have led to the abouse of one section of the peasants at the expense of another, and they are sent back to Long Bow to admit their errors and propose a fresh plan of campaign. "There are no breakthroughs." But there are, fundamentally: the show ends with a peasant asserting his new political maturity with proverbial resonance.

I can only reiterate my conviction that this is one of the most admirably realised productions of recent years, on the fringe or anywhere else. The play is unsentimental, informative, witty, moving and serious. There is nothing trendy or slick about the treatment of the subject and Chairman Mao does not even warrant a mention. This is the English experimental theatre at its very best. Rejoice, and rush to Hampstead.

Elizabeth Hall

Janacek and Brahms

by MAX LOPPERT

The present South Bank Summer Music series has made a feature of programmes in which chamber and small-orchestral pieces of various kinds and dimensions have combined, with varying degrees of success. Friday's combination was wholly successful, because each work provided contrast with its predecessor in ways both stimulating and informative. With Handel and Elgar as string-orchestra end-pieces, the core was late Janacek and late Brahms—nothing in common between the Concertino for piano and six instruments of the first, and the A minor Trio for clarinet, viola and piano of the second, except the joy of both composers at their peak of mature, wise utterance.

Janacek's old age was exhilarating, adventurous in remarkable ways, each work opening up new vistas. The Concertino, conceived at about the time of the first *Cunning Little Vixen* performance in 1924, strikes into the world of instruments the same note of buzzing, fertile, utterly unsentimental Nature. Without voices to carry those nuggets of melody above the twittering commentary, quirkiness is here less easily disproved than in the opera.

The first movement repeats that fractious piano motif to the point of irritation—or else in this performance, the pianist, Richard Goode, slightly failed to characterise the repetitions in the humorously narrative manner suggested by the composer's own programme. Otherwise, it was a notably buoyant performance, in which Gervase de Peyer's clarinet and Timothy Brown's horn made exactly the right querulous noises. The end was heart-easing, as full of radiance as the Forester's final monologue in the opera.

After the interval, the clarinet trio was the more eloquently elegiac, regretfully autumnal for the contrast. Messrs de Peyer and Goode were joined by the American cellist Lynn Harrell, one of the fixtures of the series. His opening phrases seemed to pour a flood of powerful cello tone through a constricted opening, with the consequence that the mood failed to settle. Later, when the tightness passed, cello and clarinet began to weave the textures only hinted at earlier; even so, the playing never lost a certain self-consciousness, or gained the inevitability of long-standing partnerships. Handel's A major Concerto Grosso, Op. 6, No. 11, and the Elgar Introduction and Allegro completed the bill, in slick, rather heartless (but not unenjoyable) readings by Neville Marriner and the Academy of St. Martin's.

Albert Hall/Radio 3

International Youth Orchestra

by RONALD CRICHTON

Claudio Abbado was in charge of Saturday's Prom, at which the International Youth Orchestra, as part of the annual festival shared between Aberdeen and London, showed its paces in the capital. Eight days of intensive rehearsal led to a preliminary concert at Aberdeen. With Stravinsky's short but tricky *Zvezdoliki* and Berg's Three Orchestral Pieces, as well as Chaikovsky's Violin Concerto and the *Death and Transfiguration* of Strauss, there was plenty to rehearse. Abbado had clearly used the time to advantage—with his own relative youth and international standing, to say nothing of his clear beat and unfussy but commanding platform manner, he is an excellent choice for a composite youth orchestra.

Stravinsky's cantata has one foot in the symbolist world of the poet Balmont (author of the text), which brings him as near as Skriabin as he was to go, but the other foot reaches out beyond *Petrushka* and *The Rite* to the Wind Symphonies written in memory of Debussy, to whom *Zvezdoliki* was dedicated. The choral part, which must be nearly as hard even for experienced singers as the orchestral part is for young musicians, was done by the men *of the BBC Singers*. If the performance did not radiate total confidence, much of the score's exploratory quality came over. In the Berg pieces the orchestra seemed more at home, rendering the infinitely more extravagant but no less sensitive sound world with a remarkable degree of success. Abbado was watchful as a cat in matters of balance, shaping the individual numbers with greater firmness than one has always heard from mature orchestras.

He showed the same ability to bide his time over climaxes in *Death and Transfiguration*—indeed the closing pages, which normally make one blush for Strauss and even more for Liszt, at whose door part at least of the blame must be laid, were almost believable. The talented young oboist should be encouraged to control his vibrato, which already threatens to disrupt his line. Yet he, as well as other woodwind soloists, did themselves and their trainers credit in the Chaikovsky concerto, the score which because of its Motzartian economy conceals more danger for the inexperienced player than the more obviously difficult music in this programme. The violins sang out strongly. The only thing that could seriously be faulted was a lack of crispness *in some staccato chords*—a refinement unlikely to come from an international band of temporary status. Otherwise this was a worthy setting for Kyung-wha Chung's glowing, eloquent, finely poised reading of the solo part.

The Entertainment Guide is on Page 9

King's Head

A Cure for Freedom

by B. A. YOUNG

A Cure for Freedom is a talk by Quentin Crisp, whom connoisseurs will recognise as the author of *The Naked Civil Servant* and *How to Have a Life-style*. Mr. Crisp has always had a life-style of his own, and we denizens of the King's Road know well his elegant figure, topped by a head of hair now grey but sometimes faintly touched with a pale pastel shade. He is not only a genuinely amusing man, but a pretty wise man.

Mr. Crisp has observed that when he talks to young people in this age of social permissiveness unprecedented in English history they always tell him how unhappy they are. Logically, he concludes that a reduction in their freedom ought to make them happier. He doesn't propose, however, to curtail their freedom in the ways familiar to our grandfathers, but by encouraging them to organise their lives more stylishly.

Stylishness, he points out, is not the product of wealth. You can be poor, or plain, or stupid, or even wicked, but still stylish. The arguments he advances in support of his belief are stylishly delivered by Mr. Crisp, sitting on a bentwood chair and illustrating his points with some stylish movement learnt, no doubt, from his experiences as an artists' model, or naked Civil Servant. His small audience listened raptly and, when the prepared talk was over, continued to exchange ideas for a long time. Mr. Crisp is very good company, and there is a great deal of sense among his frivolities.

Shepherd's Bush Green

Edward II

By B. A. YOUNG

As part of the mini-Festival on Shepherd's Bush Green last week, the Bush Theatre company gave Brecht and Feuchtwanger's *Edward II* in a production that now moves on to the Young Vic for a fortnight. On the Green, it was played under a tent, on a grass plot roped off like a boxing-ring, with a low stage at one end. It was an ambience that would have delighted Brecht, traffic noises, aircraft and all, for its courage and its seriousness.

I do not much admire the play, which has been too consciously popularised from Marlowe's splendid original, a process encapsulated in the metamorphosis of Gaveston. Piers Gaveston, son of a Gascon knight and foster-brother of the king, becomes Danny Gaveston, son of a butcher. As Paul Bacchus plays him, he is adult and bearded, not at all the pretty boy of legend.

Ten players, under David Mouchtar-Samurai's direction, take 17 parts. They wear plain brown robes that can readily shift from the common to the regal and back again by simple addition or subtraction; Stuart Fox, one of the two peripatetic soldiers who act as Chorus, turns in a moment to young Edward III, full of dignity and command. Anthony O'Donnell is the other soldier, who leads the characteristically Brechtian songs.

Donald Sumpter plays Edward II in a performance that looks good but is very flatly spoken. Brecht's words, as translated by Mannheim and Smith, are very flat to begin with, and I think Mr. Sumpter needs to put much more vigour into them, especially if he has to play the part in a tent. As faithless Queen Anne, Caroline Blakiston sets him an example; though some of her quieter speeches were hard to hear, she always transcended the difficulties of the setting in her playing. David Howey's Mortimer was good, too, in its intellectual dignity.

To end on a slightly uncivil note, I don't think the company should play the two-and-a-half hours of this play without an interval. That would need a far more electric performance than they are giving.

Glasgow Citizens' autumn season

The Citizens' Company, under the direction of Giles Havergal, opens its sixth season on Friday, September 12, with *Hamlet*. It runs until September 20 but returns on October 6 for a further three weeks until October 25.

Once again the 7.84 Theatre Company provides musical but meaningful entertainment in *Little Red Hen*, a new play by John McGrath, which is being presented at the Citizens' Theatre September 23—October 4.

The Citizens' Theatre Company returns on October 29 with two plays: Seneca's rarely performed revenge tragedy *Thyestes* and Philip King and Falkland Cary's comedy, *Sailor Beware*. They will play in repertoire until November 29.

This year's children's pantomime, *Aladdin*, open on Friday, December 4, and plays until January 10.

Greenwich Theatre

Measure for Measure

by MICHAEL COVENEY

Jonathan Miller's superb production is (as it was last year in a Mobile Production for the National Theatre) firmly set in pre-war Vienna. The retiring Duke abrogates his authority in favour of an insidiously hierarchical network governed by an Escalus in black tie and tails. Slipping across this moralistic enclave are a raffish Lucio and a smart, sneeringly pansyish Pompey; they bring, in the outstanding performances of David Firth and Neil Cunningham, a stench from the stews that is not at all remote from the stale, bureaucratic air emanating from the pin-striped brigade.

This refusal of the director to segregate the low-life scenes from the central dialectic pays rich rewards. Lucio's foul allegations about the Duke intensify in ambiguity when it is apparent that their perpetrator has such easy and understandable access to the inner circle. An easier access, in fact, than that of Angelo, who here slithers hesitantly into office armed with polite stutters and legal tones.

In the part of Angelo, Julian Curry gloriously demonstrates that he is one of our most gifted and intelligent actors. His eyes are hardly visible, at first still and calculating behind pebble spectacles. He is a man with dark secrets further darkened for image convenience. He starts by playing the letter of the law, but in the second of his two interviews with Isabella, the ice begins to melt. He is not so much struck with a whimsical passion for this stony novice as suddenly seized by the opportunity of furtive lust. When she innocently fails to pursue his "sense," he gives her a few taps on the knee to both test the ground and stoke his imagination. The forthright offer of blackmail involving her brother's life, and her "love," is accompanied by a fussing tampering with her grey, shin-length habit.

Isabella herself is given a tight-lipped, determined reading by Penelope Wilton. The heroine is no more likeable in her primness than is Angelo in his opportunism. She reacts with sour righteousness to the information of Angelo's treatment of Mariana; she shudders and almost pukes with revulsion when the scheme of exchange is mooted by the disguised Duke: and she fights off the despairing lunges of the doomed Claudio (David Horovitch) with squeals of condemnation and the gift of a little red missal.

Claudio is confronted with this religious maniac after the marvellous speech by the Duke which, in this case, does more than comfort—we see a man experiencing his own demise as if having it flashed before him.

Claudio is the one innocent in the play. I have always thought it totally reasonable of him to demand his sister's defilement in exchange for his life. And there is no doubt that this handbag-swinging, square-jawed sanctimonious nun would be better off for a little of what she doesn't fancy. *Strikingly, the play concludes* with an unveiled suggestion of the Duke that she might repay his services to her in rescuing Claudio by joining him round the back. All the others have retreated through the seven green doors: the Duke is left alone, not embittered or noticeably frustrated, just alone—as Isabella flees the scene.

This is the final exit in a series of perfectly-timed entrances and exits that acquire a hypnotic rhythmical undulation around the central, stolid stage property of the official desk. I hesitate to suggest that this staging is in any respect mnemonic, although with one door clearly set aside for the inner sanctum of the office and another for the prison, the director is clearly aiming at an effect of memory theatre.

This effect is reinforced by the use of some atonal musical snippets by Carl Davis that are splendidly appropriate. A brilliant contrast is achieved when the play's second half begins with Mariana, in the sleek black of a late-20s vamp, sidles on to the strains of a popular café tune. Here again, suddenly, the stench is rising, and Lucinda Gane spells out the unpleasantness of Mariana's character as she embroils herself in the sub-plot in order to land her man.

There are good supporting cameos from Anna Wing as an ill-spoken Mistress Overdone enduring not too hard a time, and Andrew Hilton as a phlegmatic, ponderous Provost. The clarity of the production is typified in Joseph O'Conor's Duke, scheming and mischievous official whose stated concern for the law *is unequivocally exposed for the* hollow cant it undoubtedly is. This production is not only important: it is also thoroughly entertaining.

Albert Hall/Radio 3

BBC Welsh by RONALD CRICHTON

Robert Ponsonby, Controller of BBC Music, may not be a pioneer programme architect like his predecessor, Sir William Glock, but he is an astute enough diplomat to ensure that his regional orchestras, when they come to the Proms, will draw large audiences. The Albert Hall was well filled last Wednesday for the Corporation's Welsh Symphony Orchestra, under its chief conductor, Boris Brott. The first performance at these concerts of the *Laudi* of William Mathias, was backed by the Third Symphony of Brahms and Chaikovsky's B flat minor Piano Concerto with David Wilde as soloist.

Mathias's *Laudi* is a restrained, happy song of praise written for the Llandaff Festival of 1973. It is based on an earlier organ chorale which appears at the end in orchestral dress as a serene climax. In his pre-concert talk, the composer described *Laudi* more or less in these terms—"a piece of music about a quiet piece of music." One section in fact is noisy and cheerful in an Our-Lady's-juggler sort of way but the most appealing parts are smiling and spiely with tinkling celesta like angel chimes a little sentimental but not unwelcome on an evening when more demanding music would have been a strain to listen to in the oven which the Albert Hall becomes these nights.

The Brahms had a gentle, sensitive performance well tempered to the occasion. Such a reading does not tell the whole story, but it suited both the orchestra and the hot evening. The BBC Welsh strings do not have much cut and thrust. Their tone is felty, but the sound is agreeable, and they stay sweet in high passages—both strings and woodwind came well out of those treacherous pages in the slow movement where many good orchestras play sourly. In the third movement and finale the soft string tone gave great pleasure—with a full balcony, the hall's improved acoustics were at their best.

David Wilde's Chaikovsky was strong and sympathetic. He remains musical through all his considerable bravura and showmanship. He can keep up the pace in the finale without going through the keyboard. In the first movement, one missed the ultimate degree of virtuosity that can make light of all the difficulty with Olympian passivity and even a semblance of disdainfulness—as one would imagine Rakhmaninov playing this concerto. Although this pianist's range of tone-colour is commendably wide, it does not embrace the iciness of complete grandeur. Even his fireworks are chummy. He knows a thing or two about Liszt and possibly he does not sufficiently distinguish between these composers. Liszt's grandeur is not above connivance, a weakness of which Chaikovsky is innocent.

HOME NEWS

Cable and Wireless wins Iran consultancy contract

BY RICHARD JOHNS

CABLE and Wireless has been appointed joint consultant for the £100m.-plus Iranian programme for building no less than 560 telephone exchanges over the next seven years.

The company sees the contract —believed to be worth about £1.25m.—as the first significant British breakthrough in the rapidly expanding telecommunications sector in that country.

Well-established on the Arab side of the Gulf where it has established and runs most of the telecommunications, it will be Cable and Wireless's first direct involvement in Iran. Its partner there will be Organic, one of Iran's largest architectural, engineering and town planning concerns.

Little business for British industry can be expected to result from the deal because the U.S. concern, General Telephone and Electronics International Corporation, has apparently been earmarked for the supply of switch-board equipment.

However, with the Post Office acting as the intermediary with Tehran and the catalyst here, U.K. concerns are mobilising themselves to win a share of Iran's telecommunications development programme. This is expected to involve an investment outlay of as much as £500m. over the next few years.

A spokesman for Plessey confirmed that the company was forming a consortium, with GEC and Marconi, "to explore business opportunities in the telecommunications sector with the Iranian authorities." "The consortium has the full backing of the British Government," he said.

It would be concerned mainly with the most modern pulse code modulation equipment required by Iran, which is expected to require something like £40m. worth of transmission hardware over the coming three to four years.

It is understood that Taylor Woodrow, Wimpey and Laing are joining forces on the construction side to bid for building contracts required for the programme.

A number of contracts could be involved, with a likely value of £300m. or more. Lister Petters and Dormand Diesels may collaborate in tendering for power plant where a more modest investment of £10m. or so is in prospect.

GEC may also be a contender for telephone cable orders worth anything up to £90-£100m. in total. The company is already in the running for a large slice of the project for electrifying and expanding the Tehran-Tabriz railway line.

Wimpey and Laing—already carrying out defence contracts for the Iranian Government—both appear to be well placed for the construction of buildings needed for telecommunications installations.

On the defence side, construction business has been secured under the aegis of Millbank Technical Services, the Crown Agents' affiliate, which is responsible for building a large military ordnance complex in Iran.

The Post Office's relationship with the Iranian PTT is a less formal one and collaboration in the telecommunications field was not covered by the Anglo-Iranian protocol signed in January.

However, its liaison with the Iranian Government and its role as an intermediary is another sign of the Persian preference for negotiating and awarding contracts within an inter-governmental framework.

Ford Escorts are 'hitting Japanese'

THE NEW Ford Escort, which has established itself as the best-selling car in Britain and Europe, is challenging Japanese competitors in certain markets, the company claimed yesterday. Export orders for the car have now reached £35m.

After introduction in Britain in March the model has been offered in foreign markets, with notable success claimed in the highly competitive area of South-East Asia, where the level of demand is seen by the company as a challenge to Japan's grip on the lower-cost range.

Last month, when recorded new car registrations in the U.K. were the lowest for any July since 1959, Escort sales topped the list at 5,050. It has been top of European sales since April.

The total export figure of £35m. includes orders worth £10m. for Escorts which will be shipped to Europe from Ford's Halewood assembly plant on Merseyside. New orders had been received from South Africa, the Caribbean, Australia and New Zealand.

Mr. Maurice Sury, Ford's overseas markets planning manager, said: "We have just been informed of orders worth nearly £20m. from Far East customers alone. Malaysia, Taiwan and the Philippines already require over 7,000 Escorts between them. Australia has asked for 9,500 and New Zealand 6,800."

In South Africa the model attracted nearly 10,000 orders soon after its launch on July 21, the company said. In the Caribbean there was a requirement for about 1,500 of the cars.

U.K. share up

● Registrations of all goods vehicles for the first seven months of this year amounted to 136,743, about 3 per cent. below the same period last year, with the British share of the total market improving from 86.3 per cent. to 88.6 per cent., the Society of Motor Manufacturers and Traders said yesterday.

At the light end of the goods vehicle market—car derived vans and pick-up trucks—sales of British vehicles were 1.7 per cent. higher at 39,149, while imported sales were down 22.4 per cent., representing 10.9 per cent. of the market compared with 18.8 per cent. last year.

Other goods vehicles up to 3.5 tons accounted for 58,364 sales compared with 61,280 in the first seven months of 1974. Imports took 13 per cent. of the market compared with 15.4 per cent. last year.

At the heavy end, 3.5 tons upwards, total sales were down by 1.8 per cent. at 34,458. Of these, imports accounted for 9.4 per cent. compared with 10.8 per cent. in 1974.

U.K. crops threatened by ozone menace

Financial Times Reporter

SCIENTISTS ARE considering the possibility that ozone—a gas produced by sunlight acting on car exhaust pollutants—could damage Britain's crops and vegetation during high summer.

Their fears are set out in the science journal Nature, following the disclosure that Britain's bumper heatwave has produced sustained raised levels of ozone over the Berkshire countryside.

"It is no longer possible for the British to be complacent about ozone pollution," Dr. Peter Moore, a lecturer in botany at King's College, London, warns.

Daily peaks of ozone "at levels which could be injurious to both man and plants" are not restricted to Central London, but could be occurring over a wider radius, he claims.

No reports had been received of ozone damage to crops or wild plants in Britain, but growth might be suppressed without symptoms being visible.

The Government-financed research establishment at Harwell's records show that on 15 days in July and August the hourly ozone levels topped eight parts per 100m. (pphm)—the recommended limit set by the U.S. Environmental Protection Agency. On six days the level went over 12 pphm—and on one occasion reached nearly 18 pphm.

U.S. record

However, British ozone levels are nowhere near the record U.S. level of 99 pphm recorded in Los Angeles, where the gas helps produce eye-irritating photochemical smogs.

Dr. Moore says that in the U.S. ozone is considered "by far the most damaging of air pollutants to plants." In New Jersey in 1972 it cost about £50,000 damage to agricultural and ornamental plants, and in California losses have been estimated at over £15m.

Fears for damage to British plants are based on experiments by Imperial College, London, on ozone-sensitive tobacco leaves which showed signs of damage when exposed to levels over 4 pphm.

BR catering faces £2m. loss this year

BRITISH RAIL'S train catering is likely to lose £2m. this year, and perhaps even more later, according to Mr. William Currie, director of Travellers Fare, the BR catering division. But to meet the needs of high-speed travel, £1.5m. is being spent as a first step on modernising 140 catering coaches.

Despite the predicted loss figure — slightly above the 1974 loss of £1.75m.—eating and drinking facilities will continue to be provided on nearly 1,000 trains a day, on which 3.5m. meals were served last year.

This is more than on all the European railways put together, and Mr. Currie pointed out: "They all lose more money than we do."

The £1.5m. investment was sanctioned by the British Railways Board only after Travellers Fare had convinced it that there would be a proper return in terms of catering and passenger revenue.

Last year, more people had breakfast and high tea on trains, but revenue was down from lunch and dinner.

Mr. Currie said: "It was the sale of 10m. sandwiches and 8m. cups of coffee which helped push up receipts to a record £10.5m."

Soaring costs and lower volumes of business this year are making the railways hard at this other loss-making part of their business. But he is confident that the improvements in service which will follow the modernising of a large part of the restaurant and buffet car fleet will bring benefits.

The refurbished coaches will all be in service within the next two years. And 28 new buffet cars are being built for service on the West Coast main line from London to Glasgow.

A new generation of catering vehicles is also being built for the new high-speed train due to go into service in 1976. First-class passengers will be served in their seats from the new restaurant coaches and second-class travellers will be able to buy a full meal on a take-away tray which will not slip off the tables in their saloons.

To complement the buffet and restaurant car service, Travellers Fare is introducing corridor trolleys to provide snacks and drinks to everyone on the train. When the APT—advanced passenger train—comes into operation in 1978 there will be a self-service food and drink section.

Flood aftermath hits train services

TRAIN SERVICES in North London were still disrupted yesterday as railway workers continued to clear up the damage from Thursday's floods.

A British Rail spokesman said users of one line into St. Pancras were likely to face train cuts "until mid-week at least." After floodwater burst a major sewer in Kentish Town, sweeping away foundations of the two main-line tracks above it, all trains had to use two adjacent freight tracks, he said.

"Obviously you can't squeeze all the traffic through those two tracks. On Friday night only 20 per cent. of commuter trains ran, and main-line trains had to make special stops to help out."

Local council workmen were expected to take several days to repair the sewer before BR men could move in to restore the track. Flooding in the Primrose Hill tunnel used by local trains between Euston and Watford Junction had been drained and ballast was being restored. Local trains were not running south of Kilburn High Road.

"We hope to have things back to normal on this line for tomorrow morning's peak services," added the spokesman.

The Bakerloo Line Tube section closed by the floods was re-opened at the week-end. Restricted services were reintroduced on the line between Paddington and Queen's Park.

Clyde yard seeks compensation for 'faulty' BICC cables

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

SCOTT LITHGOW, the Lower Clyde shipbuilding company, is seeking compensation amounting to "many millions of pounds" for delays it has incurred through the delivery of "faulty cable" for installation in four submarines ordered by Chile and Australia.

The yard was censured last week by the Australian Defence Minister, Mr. Bill Morrison, who was quoted as saying in London that there would be no further orders for "that goddam shipyard" because the delivery of its two Oberon class submarines had been delayed by about two years, to 1977.

The delays, which also affect an earlier order for two Chilean submarines, have been caused by the discovery last summer that insulation on cable manufactured by British Insulated Callender's Cables to Admiralty specifications was perishing.

This has involved the yard in recalling the first Chilean submarine which was on trial and partially replacing its wiring. It has also meant ripping out all the cable installed in the second Chilean and first Australian vessels. The yard is still waiting for the delivery of replacement cable for these and the final Australian vessel.

Mr. A. Ross Belch, Scott Lithgow's managing director, explained that each vessel contained more than five miles of highly complex cable, some of it with 27 cores. The remedial work had pushed back the yard's entire naval building programme involving later orders for an underwater research vessel and two fleet replenishment ships.

"Whoever is to blame for this, one thing is certain it is not Scott Lithgow," he said. "We have carried the can for many things but we object to carrying the can for something that is so highly disruptive and is costing us such a bomb."

The cost of the "total rip-out" on one of the Chilean vessels alone was about £1.5m.; the total cost to the yard in the case of all the vessels was "many millions of pounds," he added. "Whether the fault is in specification or in manufacture it is not our baby. We are going to have to be compensated."

The company's record as a submarine builder was "exemplary," he said. It had provided all four submarines now in service with the Australian Navy and had shown its satisfaction by recently extending their re-fit period from four to five years. The Australian naval authorities "fully understood" the reasons for the delay on the latest order.

BICC said yesterday that although the cables had proved unsuitable, the company believed that they complied with the specification. The Ministry of Defence was still carrying out tests, but new specifications had been produced and new cables delivered.

It is understood that the legal position now depends on the tests and will be argued on whether the original specification was wrong or whether there was any fault in the cable supplied.

Ceiling on special steel imports urged

FINANCIAL TIMES REPORTER

FOLLOWING the news that steel production in Britain averaged 266,300 tonnes a week last month —the lowest weekly average for 24 years—private sector steel representatives have asked the European Commission to consider action to limit imports of Swedish special steel into Britain.

July output was 33.3 per cent. lower than in the same month last year, when the private and public sectors of the U.K. steel industry produced 399,200 tonnes a week.

It was also well down on the production figure for June of 341,800 tonnes, which was 22.1 per cent. higher than last month.

Destocking

Although a number of steel plants were closed for holidays last month, the main reason for the exceptionally low output last month was the seriously depressed state of the market for steel at home and overseas. This accounted for almost all of the drop in production.

The market for nearly all steel products remains weak and the July production figure confirms previous indications that a major steel destocking movement took place in the U.K. during the second quarter of this year.

Steel output in the first seven months of the year averaged 401,300 tonnes a week—a drop of 6.6 per cent. over the same period last year.

Statistics produced by the Department of Industry yesterday indicate that deliveries of steel from U.K. producers to consumers and stockholding merchants fell by about 19 per cent. during the second quarter of this year from the fairly constant level of some 3.55m. tonnes in the previous three quarters to 2.87m. tonnes.

Imports, which had risen in the previous two quarters, fell substantially by 170,000 tonnes to total 680,000 tonnes during the three months which ended on July 31.

As stockholders are believed to have reduced their stocks during the last quarter, total deliveries to consumers are estimated to have reached only 3.58m. tonnes, the lowest figures since 1963.

The Department of Industry believes it is possible that stocks will continue to be reduced during the rest of this year, which will further reduce the demand for steel deliveries.

The call for a ceiling on imports of Swedish special steel comes from the British Independent Steel Producers' Association.

Their chances of such a ceiling are thought to be good, as special steels are one of the "sensitive" products specifically listed in EEC trade agreements.

Sheffield steel companies have seen the imports rise sharply in the last two years, but there is no question of any Swedish dumping of these expensive and specialised steels.

Local manufacturers admit that the Swedes are selling on price, quality and service. They argue that a ceiling on imports would at least give them a chance to counter the sales threat.

Fruit men hope for better apple crop

BRITAIN'S FRUIT growers are hoping that, despite the long spell of hot, dry weather, this year's autumn apple crop will be better than last year's.

"The dry weather is bound to have affected tree and fruit growth, and thus formation, but the real test comes when the crop is harvested," said a spokesman for the National Farmers Union's fruit section.

Some picking of early varieties had started, but the main harvesting was expected towards the end of the month.

Even so, the apple crop was expected to be about 65 per cent. of normal (based on a five-year average), compared with last year's 45-55 per cent. The pear crop was likely to be light.

A senior horticultural adviser in Kent, one of Britain's main fruit growing areas, said that recent conditions had been unknown for many years.

Householders' insurance check urged

BY ERIC SHORT

HOUSEHOLDERS hit by Thursday's freak floods should check their home insurance to see how far they are covered. In general, it is current practice for policies automatically to cover flood damage.

The only exceptions would be for certain areas prone to periodic flooding, such as parts of the Thames Valley. In such cases, either the cover would be restricted or an extra premium charged. But North London is not one of these areas.

What would apply to the claim on flood damage is the excess per event which applies to any damage claim. Under this provision, the first £x of the claim is paid by the houseowner, the amount varying between insurance companies, but is in the £10-£20 range. Its purpose is to discourage small claims.

Assessment of the flood damage would normally fall into two categories. Certain contents would be virtually destroyed by the flood and have to be replaced, in which case the value of the claim for these items would be based on replacement.

But other items, such as carpets, need only to be dried out and then cleaned. Assessment would then be on the cost of cleaning. Brickwork normally dries out well, but there is always the possibility of structural weakness or damage.

The householder should contact his broker or insurance company or its agent to establish his claim. He would be well advised to get a builder to view the house, even if it looks all right after it has dried out.

Oil group sets up social trust

BY CHRIS BAUR

THE HOWARD-DORIS civil engineering consortium, which is building the largest North Sea oil production platform at Loch Kishorn in the Scottish West Highlands, has completed arrangements for setting up a £25,000-a-year trust fund to benefit local inhabitants.

The fund results from an agreement between the group—whose parent companies are John Howard and Co., London, and C. G. Doris, of Paris—and the former Ross and Cromarty County Council, made when approval for an oil platform yard was given last year.

It provides for the "advancement and protection of the social and economic welfare" of the 4,000 to 5,000 inhabitants of the Lochcarron and South-West Ross districts, when the group has no further use for the yard.

Among other things it will be used to attract labour intensive industries to the area.

Howard-Doris will pay £25,000 a year into the trust for 15 years or a shorter period if the company gives two years' notice of its intention to end operations at Loch Kishorn. It says it believes this to be a unique undertaking by an industrial concern, though a similar "disruption payment" guaranteeing a minimum of about £20m. has been negotiated by Shetland authorities with oil companies using terminal facilities on the islands over the next 25 years.

The chairman of Howard-Doris, Sir John Howard, is one of three trustees. The others are Sir Robert Fairbairn, chairman of the Clydesdale Bank, and the Rev. Murdo J. Nicolson, chairman of the Highland Regional Council.

Howard-Doris representatives will meet officials of the Highland Region Planning Committee in Inverness to-day to discuss their application to waive one of the planning conditions placed on the use of the Kishorn site. The company is currently limited to employing a labour force of no more than 400 but it now wants to expand this to over 700.

It has told the council that it made its original estimates in the expectation of receiving an order for a much smaller oil platform structure. In the event it was awarded a £60m. contract for the largest concrete platform yet built, for the Ninian oilfield. It says it must have additional labour.

Record invisible earnings by U.K. ships last year

BRITISH ships earned enough in invisible exports last year to pay for one-fifths of the nations annual imports of food, shipping companies claimed to-day.

Gross export earnings of British-owned and registered vessels reached £1.52bn. The net contribution was also a record £789m., according to the General Council of British Shipping, the national association of British shipping companies.

The record gross earnings were nearly £500m. higher than in 1973 said the council.

The figures emphasised again the "enormous value" of U.K. shipping to the economy. Although world-wide inflation had affected the figures, they showed the efficiency and size of the British merchant fleet which stemmed from a £3.3bn. investment in the last 10 years.

"This scale of investment is equalled by few, if any, other British industries," said a spokesman.

The council warned, however, that the world recession and overcapacity in many sectors of shipping, particularly tankers, would affect this year's figures.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

COMPANY MEETINGS—
Braby Leslie, Abercorn Rooms, E.C., 12
Denbyware, Abercorn Rooms, E.C., 12
Fodens, Sandbach, Cheshire, 3
Henderson-Kenton, Dorchester Hotel, W., 12.30
House Property Co. of London, Eagle House, Wimbledon, 12

BOARD MEETINGS—
Finals:
Danks Gowerton
Ega Hldgs.
Globe and Phoenix Gold Mining
Hoffnung (S.)
Vibroplant
Intl. Holdings 8 cts.
Kleen-e-ze 0.1p
London United Invs. 1.7116p
Morgan-Grampian 1.2222425p
Weston-Evans 1.4608p

DIVIDEND & INTEREST PAYMENTS—
Bambergers 1.7196p
Ewer (George) 0.335p and 0.65p
Guardian Inv. Tst. Db. Stks. 1½ 2 2 (1958 issue) and 2½pc
House Prop. Co. of London 1p

TO-MORROW

COMPANY MEETINGS—
Moorgate Investment, 8, Waterloo Place, S.W., 3.15
Parkland Textile, Leeds, 12.30
Property Partnerships, Norwich, 12
Salter (George), West Bromwich, 12
Smith Bulmer, Bradford, 10.30

BOARD MEETINGS—
Finals:
Arbour Court Invs.
Attock Oil
Brotherhood (Peter)
Cap. and Nat Trust
Heron Motor
Houchin
Leopold (Joseph) Inv. Tst.
Rennies Cons
Interims:
American Tst.
Cons. Diamond Mines of S.W. Africa
De Beers Cons. Mines
De Beers Ind. Corp.
Direct Spanish Telegraph
First Scottish American Trust
Ford (Martin)
Royal Insurance
Slater Walker Secs.
Thurgar Bardex
Transport Dev. 7

DIVIDEND & INTEREST PAYMENTS—
Armadale 11½pcBds Red 25/2/76 5¾pc
Ashmole Inv. Tst. 0.335p
Blackburn 11½pcBds. Red. 25/2/76 5¾pc
Blyth Valley 11½pcBds. Red. 25/2/76 5¾pc
Bolsover 11½pcBds. Red. 25/2/76 5¾pc
Bournemouth 11½pcBds. Red. 25/2/76 5¾pc
Braintree 11½pcBds. Red. 25/2/76 5¾pc
Bristol Plant 0.3p
Cardiff 11½pcBds Red. 25/2/76 5¾pc
Clydebank 11½pcBds. Red. 25/2/76 5¾pc
Coatbridge 11½pcBds. Red. 25/2/76 5¾pc
Davis (Godfrey) 2.021756p
Denbyware 2.97679p
Easington 11½pcBds. Red. 25/2/76 5¾pc
Leeds 11½pcBds. Red. 25/2/76 5¾pc
Lewisham 12¾pcBds. Red. 23/2/77 6⅜pc
Lunuva (Ceylon) Tea and Rubber Estates 2.9547p
Merthyr Tydfil 11½pcBds. Red. 25/2/76 5¾pc
Parkland Textile Ord. and A 0.853125p
Renold 4.5604p

WEDNESDAY, AUGUST 20

COMPANY MEETINGS—
Chesterfield Properties, 1, Avery Row, W., 11
Cox (H.) (Plant Hire), Winchester House, 100, Old Broad Street, E.C., 12
L C P, Birmingham, 11
Swan (John), Edinburgh, 3

BOARD MEETINGS—
Finals:
Crouch Group
Dixons Photographic
Gelfer (A. and J.)
Interims:
Allied Insulators
Assoc. Sprayers
Clay (Richard)
Cornell Dresses
Dreamland Elect.
Edinburgh and Dundee Inv.
English and Scottish Investors
Martin (Tom) Metals
Pye
Stocks (Robt.) (Manchester)
Tube Invs.
Wallis (F. J.)
Woolworth (F. W.)

DIVIDEND & INTEREST PAYMENTS—
Cannock Chase 13¾pcBds Red. 20/8/75 £7.0365
Caterpillar Tractor 45 cts.
Edinburgh 13¾pcBds. Red. 20/8/75 £7.0365
Evans (Frederick W.) 0.58p
Fodens (Temp. Susp. 3/1/75) 0.325p
Forfar 11½pcBds. Red. 25/2/76 5¾pc
Gillingham 11½pcBds. Red. 25/2/76 5¾pc
Hastings 13¾pcBds. Red. 20/8/75 £7.0365
Hereford 11½pcBds. Red. 25/2/76 5¾pc
Horsham 13¾pcBds. Red. 20/8/75 £7.0365
Kennet 11½pcBds. Red. 25/2/76 5¾pc
Kimpher 2p
Leeds 13¾pcBds. Red. 20/8/75 £7.0365
Lincolnshire 11½pcBds. Red. 25/2/76 5¾pc
Medina 11½pcBds. Red. 25/2/76 5¾pc
Merrill Lynch 15 cts.
Midlothian 13¾pcBds. Red. 20/8/75 £7.0365
Newark 13¾pcBds. Red. 20/8/75 £7.0365
North W. Leicestershire 13¾pcBds. Red. 20/8/75 £7.0365
Ogwr 11½pcBds. Red. 25/2/76 5¾pc
Oldham 11½pcBds. Red. 25/2/76 5¾pc
Restormel 13¾pcBds. Red. 20/8/75 £7.0365
Richmond 13¾pcBds. Red. 20/8/75 £7.0365
Scottish Met. Prop. 0.8p
Sedgefield 11½pcBds Red. 25/2/76 5¾pc
Shelheld 13¾pcBds Red. 20/8/75 £7.0365
Silentbloc 0.625p
Swan (John) 16.12p
Torfaen 11½pcBds. Red. 25/2/76 5¾pc
Tower Hamlets 11½pcBds. Red. 25/2/76 5¾pc
Vale Royal 11½pcBds. Red. 25/2/76 5¾pc
Wandsworth 11½pcBds Red. 25/2/76 5¾pc
Wansbeck 11½pcBds. Red. 25/2/76 5¾pc
Watson (R. Kelvin) 2.8299p
West Dorset 13¾pcBds. Red. 20/8/75 £7.0365
West Leicestershire 13¾pcBds. Red. 20/8/75 £7.0365
West Midlands 11½pcBds. Red. 25/2/76 5¾pc
West Norfolk 11½pcBds. Red. 25/2/76 5¾pc
Worcester 11½pcBds. Red. 25/2/76 5¾pc
Worthing 11½pcBds. Red. 25/2/76 5¾pc
Ynys Mon Isle of Anglesey 13¾pcBds. Red. 20/8/75 £7.0365

THURSDAY, AUGUST 21

COMPANY MEETINGS—
Allied Retailers, Birmingham, 10.30
Carclo Engineering, Bradford, 3
Corksedge, Ipswich, 12
Leisure Caravan Parks, Hemel Hempstead, 11
Macdonald Martin Distilleries, Edinburgh, 12
Plessey, Millbank Tower, S.W., 11.45
Scottish and Newcastle Breweries, Edinburgh, 12
United Gas Industries, Winchester House, E.C., 12
Wood (S. W.) Group, Winchester House, E.C., 12
Zinc Alloy Rust-Proofing, Wolverhampton, 11.30

BOARD MEETINGS—
Finals:
Atlantic Assets Tst.
Ayer Hitam Tin Dredging
Ellis (Richmond)
Hawthorn
Howard Williams
UDT
Interims:
Bemrose Intl. Systems
Johnson Group Cleaners
Needlers
Pantos
Rawlings Bros.
Rentokil
Scottish Eastern Inv. Tst.
Southvaal
Tronoh Mines
Woodhouse and Rixson

DIVIDEND & INTEREST PAYMENTS—
Agric. Mort. Corp. 11⅜pcBds. Red. 27/2/76 5$\frac{11}{16}$pc
Burtonwood Brewery (Forshaws) 2.519p
Clydesdale (Trnsvl.) Colrs. 3.75 cts.
Cohen (A.) Ord. and A 2.6324p
Eccles 8½pcBds. Red 20/8/75 £4.3432
English and New York Trust Db. Stk. 2 2½ and 2¼pc
Griqualand Expl. and Fin. 20 cts.
Oil and Associated Inv. Tst. 1.05625p
Romney Tst. 0.7p
Ropner Ord. and A 0.8p
Sentrust Beperk 18 cts.
Trans-Natal Coal Corp. 4 cts.
Zinc Alloy Rust-Proofing 0.4396p

FRIDAY, AUGUST 22

COMPANY MEETINGS—
Emu Wine, Basil St. Hotel, Knightsbridge, S.W., 4.15
Leigh Mills, Pudsey, Yorkshire, 4.45
Saint Piran, Winchester House, E.C., 12
Smith Holdings (Whitworth), Rochdale, 11
Smith (Stephen), Basil St. Hotel, Knightsbridge, S.W., 4

BOARD MEETINGS—
Finals:
Allied Invs.
Investment Co.
Town and City Props.
Interims:
Anglowest
Benford Concrete Machinery
Jersey Electricity (The)
R.K.T. Textiles

DIVIDEND & INTEREST PAYMENTS—
A D Intl. 1.495p
Anglo-American Secs. Corp 1p
Bakers Household Stores (Leeds) 0.325p
Birmingham Pallet 1.5p
Chesterfield Props. 2.18p
Cocksedge 0.8125p
Comben Group 0.9p
Cowie (T.) 0.55p
Cox (H.) (Plant Hire) 1.465p
Debenhams 2.625p
Dubilier 0.4p
Emu Wine 0.98535p
Fowler (D. and J.) 3 cts.SA
Gillett Bros. Discount 4.675p
Giltspur 1.4p
Gough Cooper 1.95p
Jacksons' Bourne End 1.7965p
L.C.P. 1.9509p
Leisure Caravan Parks 3.14p
Lendu Rubber Estates 0.5335p
Macdonald Martin Distillers A Ord. 4.4p B Ord. 2.2p
Manbre and Garton 1.536p
Progressive Secs. Inv. Tst. 3p
Property Partnerships 0.718p
Rembia Rubber Estates 0.32p
Shaw Carpets 1.1986p
Smith (Stephen) 0.9384p
Swan Ryan Intl. 0.625p
Toothill (R. W.) 2.81625p
Wood (S. W.) 1.6835p
Yule Catto 0.45p

SATURDAY, AUGUST 23

DIVIDEND & INTEREST PAYMENTS—
Brandon and Byshottes 6¾pcBds. Red. 25/2/76 3⅜pc
Kingston Upon Hill 6¾pcBds. Red. 23/2/77 3⅜pc
Truscon (Temp. Susp. 13/12/72) 0.1625p

SUNDAY, AUGUST 24

DIVIDEND & INTEREST PAYMENTS—
Berkshire 7¼pc Red. 78-79 3⅝pc
Ever Ready Ln. Stk. 3pc

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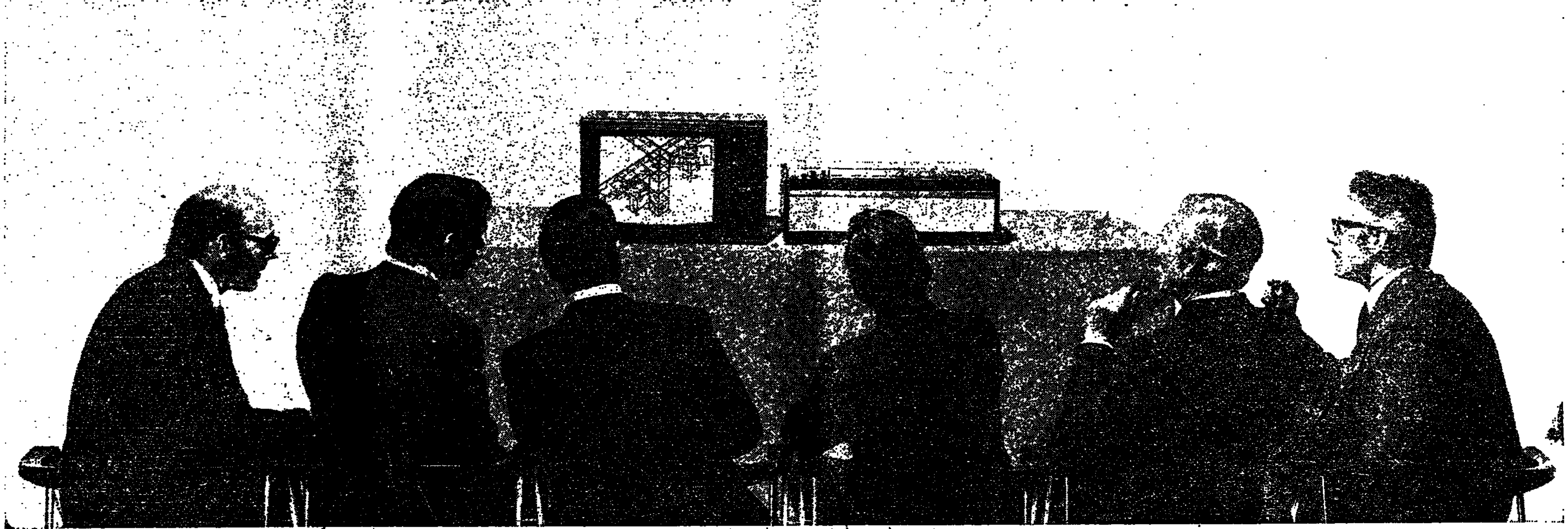
مكرر من الأصل



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FT/18/8

LABOUR NEWS

Swan Hunter and unions may seek pay limit advice

BY JOHN WYLES, LABOUR REPORTER

MANAGEMENT and unions at Swan Hunter may decide to-morrow jointly to seek advice from the Department of Employment on how they can settle a six-week pay strike at the company's Tyneside shipyards within the limitations of the Government's £6 pay policy.

The stoppage has become a major challenge by an important group of private sector workers to the Government's anti-inflation policy since a mass meeting of the 5,000 strikers a fortnight ago rejected a proposed deal based on £5.50 a week rises by next January, which was hurriedly negotiated before the policy came into operation on August 1.

The suggestion for a joint approach for guidance from the DE will be made at to-morrow's management-union talks by the main union involved in the dispute. General and Municipal Workers, which believes that neither side is at all clear about about what kind of settlement is possible under the £6 policy.

This is because the strike by Swan Hunter's outfitting and ancillary workers is for interim rises in advance of the workers' normal payment date next January. Since this contravenes the 12-month rule laid down by the £6 policy, both the company and the unions want to know whether the Government would now oppose any interim deal, including the pre-August 1 offer already rejected by the strikers.

The company has said that it will not breach the policy and the dispute is proving an embarrassing predicament for the GMWU whose leaders are among the strongest supporters of the £6 limit. The union is hoping that the DE will stop short of ruling out any interim increase since the strikers are not showing any sign of climbing down on their demand for more money.

Much of their militancy stems from traditional rivalries with Swan Hunter boilermakers who made an annual settlement in June giving £10.30 a week increases by next January.

Atom workers will press for maximum

BY CHRISTIAN TYLER, LABOUR STAFF

ATOMIC WORKERS' union leaders are ready to press for their maximum entitlement under the Government's £6-a-week wage limit, after clearing up confusion in Whitehall about how much may be paid to the 9,000 manual workers involved.

Talks with the Atomic Energy Authority and its subsidiary British Nuclear Fuels will open next month with the union side of the industry's national joint councils having abandoned pre-White Paper claims of 50 per cent. and more.

One of the unions involved, the Amalgamated Union of Engineering Workers, is publicly opposing the £6 limit, in line with its general policy. But it has not made a vigorous stand in preliminary negotiations.

The AUEW is a minority union in the industry and has not the muscle to turn these negotiations for 9,000 workers into a challenge of the new guidelines against such supporters of the policy as the Transport and General Workers' Union, the General and Municipal Workers' Union and the Electrical and Plumbing Trades Union.

The negotiations will be among the first after the annual Trades Union Congress has met at the beginning of next month, and will reflect whatever decisions on the social contract are made there.

The initial confusions over the negotiations arose because the two State-owned atomic authorities were apparently wrongly briefed in Whitehall on the status of threshold payments made in the past year.

Go-ahead for bank staff weighting allowance

BY OUR LABOUR STAFF

BANK STAFF in London and 18 of the biggest towns have been told by the Department of Employment that their claim for an increase in "weighting" allowance can be paid, but only if it is offset against the national £6 a week wage limit.

Although the official settlement date of banks' weighting increases is July 1—which would mean the payments escaping the anti-inflation net—last year's increases were not paid until August 1. The Department has said that under the 12-month rule no further increase can be paid until this August 1, which puts the payments within the terms of the policy.

By contrast, most of the 1m. public sector workers in London could in theory have their allowance raised without interference from the new guidelines. In fact, no public sector employer is willing to be first to concede increases (set at up to 20 per cent. on the maximum of around £400 a year generally paid at present).

Clearing bank employers and others have told the 35,000 or more staff concerned that they will increase allowances by up to the £1.60 a week claimed.

On the employee side, the National Union of Bank Employees seems prepared to accept the increases, offset against the limit, in the hope that by the time it comes to negotiate bank settlements next summer the £6 policy will be on the point of relaxing.

TUC decides against powers of instruction

By John Elliott, Labour Editor

THE TUC has decided not to try to extend its power over individual unions. The decision, taken earlier this year, is recorded in the TUC annual report published to-day.

"The General Council took the view that it would be meaningless for the General Council to be given powers to direct and instruct unions unless unions in their turn had the same powers over their members. What a union could do would, and must, ultimately be determined by its members," says the TUC report.

However, this view is of little practical significance because the TUC showed in its policy on the Conservatives' Industrial Relations Act that it was prepared to extend its effective authority to direct and instruct unions by suspending and expelling those who disagreed with it.

The TUC has, however, decided that such a traumatic event should not be repeated if possible and also decided earlier this year that at this stage there is no role for such a disciplinary procedure to be introduced to back up the TUC's co-operation with the Government's pay policy. This, however, will not stop some union leaders calling for extended powers in the future, although the TUC's remarks in its annual report show how difficult it would be to operate.

USDAW firm on £6 demand

THE Union of Shop, Distributive and Allied Workers has re-affirmed its determination to demand the full £6 a week allowed under the Government's pay policy for 150,000 employees in multiple grocery stores whose 13.9 per cent. wage deal has just been abandoned because it conflicted with some of the guidelines for the new policy.

The Government had told unions and employers that the deal was not acceptable because it came within 12 months of the last annual pay rise for multiple grocery employees.

In a formal statement, the union said there was no reason why the full £6 should not be paid.

This was the second time low-paid employees in the multiple grocery trade had been caught by Government pay policies, USDAW said. The union would now have "no hesitation in going for the maximum available" under the pay policy.

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	International Gift Fair (cl Aug. 21)	Earls Court
Aug. 23—31	Brighton Intnl. Exbn. and Trade Fair	Metropole Centre
Aug. 23—Sept. 6 .	Handicrafts and Do-It-Yourself Exhibition	Olympia
Aug. 30—Sept. 4 .	Motor Cycle Exhibition	Earls Court
Aug. 31—Sept. 4 .	West of England Gift Fair	Bristol
Sept. 2—4	Control and Instrumentation Exhibition	West Centre Hotel, W.6
Sept. 2—5	Northern Floor Coverings Fair	Harrogate Exbn. Centre
Sept. 4—6	Business and Light Aviation Show	Cranfield, Beds.
Sept. 7—11	Furnishings and Decorative Lighting Exhibition	Metropole, Brighton
Sept. 7—11	International Gift Trade Fair	Manchester
Sept. 8—12	Electro-Optical Systems and Lasers	U.S. Trade Centre, W.1
Sept. 9—11	Inst. of Groundsmanship Exhibition	Motspur Park, Surrey
Sept. 9—12	Menswear Fashion Fair	Manchester
Sept. 9—20	Food, Cookery and Catering Exhibition	Manchester
Sept. 9—20	Chelsea Antiques Fair	Chelsea Town Hall
Sept. 10—20	East Midlands Home Life Exhibition	Leicester
Sept. 15—19	Plant Engineering and Maintenance Exbn.	Earls Court
Sept. 16—18	Automatic Testing Exhibition and Conf.	Bloomsbury Centre Hotel
Sept. 16—19	Dust Control and Air Cleaning Exbn.	Olympia
Sept. 16—19	Foodpack International Exhibition	Earls Court
Sept. 16—19	Filtration and Separation Exhibition	Olympia
Sept. 16—19	Offshore Europe '75 Exbn. and Conf.	Aberdeen

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	International Ocean Exposition (cl. Jan. 18)	Okinawa
Aug. 20—Sept. 1 .	Plant Protection Exhibition	Moscow
Aug. 20—Sept. 6 .	New Zealand Trade Fair	Wellington
Aug. 20—Sept. 20	International Fair	Izmir, Turkey
Aug. 22—24	International Men's Fashion Week	Cologne
Aug. 22—Sept. 7 .	International Trade Fair	Reykjavik
Aug. 23—27	International Leather Goods Fair	Offenbach
Aug. 24—27	International Fair	Frankfurt
Aug. 24—28	Fall Gift Show	Montreal
Aug. 26—28	National Hardware Show	Chicago
Aug. 28—Sept. 2 .	Radio and TV Exhibition	Zurich
Aug. 28—Sept. 7 .	Mining Industry Technical Exhibition	Donetsk
Aug. 29—Sept. 7 .	International Radio and TV Exhibition	Berlin
Aug. 31—Sept. 2 .	International Fashion Fair	Gothenburg
Aug. 31—Sept. 2 .	Men's Fashion Fair	Copenhagen
Aug. 31—Sept. 3	Toys and Souvenirs Exhibition	Lausanne
Aug. 31—Sept. 4	International Autumn Fair (consumer goods)	Utrecht
Aug. 31—Sept. 5 .	Fall Gift Jewellery and Housewares Show	Dallas
Aug. 31—Sept. 7 .	International Autumn Fair	Leipzig
Aug. 31—Sept. 8 .	China, Ceramics and Jewellery Exhibition	Brussels
Sept. 3—10	International Trade Fair	Plovdiv, Bulgaria
Sept. 5—7	International Men's Wear Exhibition	Salzburg
Sept. 6—9	Women's, Children's and Men's Wear Exhibitions	Paris
Sept. 7—10	International Fashion Trade Fair	Dusseldorf
Sept. 9—13	Electronics and Electrical Eng. Trade Fair	Basle
Sept. 10—18	International Engineering Fair	Brno, Czechoslovakia
Sept. 11—21	International Motor Show	Frankfurt
Sept. 16—21	Design Engineering Exhibition	Tokyo

BUSINESS AND MANAGEMENT CONFERENCES

Aug. 28	Avon Noise Control: Industrial Noise	Melksham, Wilts
Sept. 1—2	Financial Times, Norwegian Journal of Commerce and Shipping, Svenska Dagbladet, Berlinske Tidende, Helsingin Sanomat and the Oil Daily: The Second Scandinavia and the North Sea Conference	Oslo
Sept. 1—4	Assn. Cert. Accnts.: Fin. Planning and Control	Hotel Russell, W.C.1
Sept 1—5	Brunel Univ.: Workplace Negotiations	Uxbridge, Middlesex
Sept. 1—26	Harry Mitchell and Partners: Work Study	Beeston, Notts.
Sept. 2—3	Henley Centre: Britain in the 1980s	Henley, Oxfordshire
Sept. 2—4	IPM: Efficient Personnel Administration	Park Court Hotel, W.2
Sept. 2—4	Nat. Eng. Laboratory: Energy Utilisation	Glasgow
Sept. 3	Inst. Met.: Materials in Petro-Chemicals	Runcorn, Cheshire
Sept. 5—7	AIC conf.: Accounting for Inflation	Trinity Coll., Cambridge
Sept 5—12	IEE: Management in Engineering	London Grad. Bus. Sch., NW1
Sept. 7—26	W. D. Scott and Co.: Clerical Work Improvement	Moor Hall, Cookham, Berks.
Sept. 8—Oct. 3 ...	Ashridge Man. Coll.: Management Dev. Prog.	Berkhamsted, Herts.
Sept. 8—12	P-E Cons. Group: Art of Management	Egham, Surrey
Sept. 10—11	Financial Times and the Oil Daily: World Coal	Europa Hotel, W.1
Sept. 11—12	BIM: Effective Speaking	Parker Street, W.C.2
Sept. 16—17	Financial Times and Institute of Chartered Accountants in England and Wales: Inflation Accounting—Implications of the Sandilands Report	London Hilton, W.1
Sept. 16—18	BACIE Annual Conf.: Educated for What?	St. John's Coll., Cambridge

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LEGAL NOTICES

No. 002323 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of KENLEY HEATING Limited and In the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 24th day of July 1975, presented to the said Court by T CADEL LIMITED whose registered office is situate at Avon Works, Winterstoke Road, Bristol Gloucs., Plumbers Merchants, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 6th day of October 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

BRABY & WALLER, 2/3 Bind Court, Fleet Street, London, EC4A 3DS. Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 3rd day of October 1975.

No. 002359 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of ENVIROMATICS Limited and In the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 5th day of August 1975, presented to the said Court by BCT CADEL LIMITED whose registered office is situate at Avon Works, Winterstoke Road, Bristol, Builders Merchants, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 13th day of October 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

BRABY & WALLER, 2/3 Bind Court, Fleet Street, London, EC4. Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of October 1975.

No. 002397 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of DONAGHUE REINFORCEMENTS CO. Limited and In the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 31st day of July 1975, presented to the said Court by SIR WILLIAM BURNETT & COMPANY (TIMBER) LIMITED whose registered office is situate at Nelson House, Soperin Road, Cuffley, Hertfordshire, Timber Merchants, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 13th day of October 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

BRABY & WALLER, 2/3 Bind Court, Fleet Street, London, EC4A 3DS. Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of October 1975.

No. 002708 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of GOLERA HOME PRODUCTS Limited and In the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 13th day of August 1975, presented to the said Court by MANSON FINANCE LIMITED whose registered office is situate at Henrietta House, 9 Henrietta Place, London, W1M 9AG, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 13th day of October 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

CYRIL RALTON & COMPANY, 411a Brixton Road, London, SW9 7DH. Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of October 1975.

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OVERSEAS NEWS

Turkish armaments plan to counter U.S. embargo

BY METIN MUNIR

ANKARA, August 17.

TURKEY WILL seek partnership with foreign companies and take credits from abroad to develop a home-based arms industry, according to a new "strategy for the development of a defence industry" published by the Ministry of Defence here to-day.

The strategy, which is aimed at making "our defence industry self-sufficient and export-oriented as quickly as possible," was prepared by the Ministry of Defence and the State Planning Organisation. It was submitted to Prime Minister Suleyman Demirel last week and will be discussed by the Cabinet soon. This armaments plan follows the Turkish decision last month to revoke the status of U.S. bases in Turkey—a decision taken in retaliation for the refusal of Congress to lift the ban on U.S. arms to Turkey.

According to the new strategy the existing armament industries, which are all State-owned, will be maintained and expanded. Private domestic firms will manufacture vehicles and electronic equipment for the army's needs. All else which will constitute the bulk will be handled by a Defence industry corporation which will be set up under the Ministry of Defence. This corporation will be able to enter into partnership with domestic and foreign firms and be financed by State funds but will also be able to seek domestic and foreign credits.

The strategy also contained a list of projects which would be given priority. The list included the manufacture of tanks and other armoured carriers, electronic equipment, wireless and similar equipment, optical implements and equipment, aircraft and helicopters, amunition, rockets and guided missiles, infantry rifles and machine-guns and warships and support ships.

The strategy did not go into the details of financing or timing for these projects and the defence industry corporation. There are reports that Turkey will seek financial assistance from friendly countries like Iran, Saudi Arabia, and Libya which has already reached a co-operation agreement with Turkey on this subject.

The movement to develop an armaments industry in Turkey started in the late 1960s and reached a climax with the Cyprus war of 1974 and the subsequent American arms embargo of last February. The U.S. was Turkey's biggest source of armaments and Turkey was the second biggest recipient of U.S. military aid after Vietnam among developing countries.

Turkey now manufactures a range of infantry rifles, artillery and ammunition and is building its own destroyers, submarines and landing craft.

Our Foreign Staff adds: Turkish officials have had talks recently with the British Aircraft Corporation (BAC) about the possible sale of the Anglo-French Jaguar fighter and the BAC Rapier missile system to Turkey. More important in the context of this latest armaments "partnership" plan, BAC and Hawker Siddeley have proposed to Ankara assembly of the Jaguar and the Hawker Harrier in Turkey. The U.S. companies, Northrop and Lockheed, have made similar proposals, too.

Cunhal is rescued by troops

LISBON, August 17.

TROOPS firing into the air rescued Communist party leader Alvaro Cunhal and 1,000 supporters from the small market town of Alcobaca today after a night of shooting and stone-throwing which left 20 people injured.

An angry crowd of several hundred demonstrators broke up a rally being addressed by Dr. Cunhal in a local sports stadium, wrecking the Communist Party's bold attempt to re-assert itself in the country's rural north.

Dr. Cunhal himself was suddenly taken ill and collapsed into the arms of bodyguards as he was leaving a side door of the building. Witnesses said he was not hit by bullets or stones, but it was not immediately known what was wrong with him. A party spokesman said that Dr. Cunhal had been driven away "safe and sound."

Some four hours later lorry-loads of troops armed with machine-guns roared up and drove the demonstrators away with volleys fired into the air. The Communists then rushed in a big group to safety, some on foot and others by car, as the townspeople shouted insults.

Shortly before the latest anti-Communist violence reached its peak, pro-Communist Prime Minister Vasco Goncalves publicly admitted that his government of soldiers and unaffiliated Marxist technocrats was unable to function.

By implication, General Goncalves broadcasting on Portuguese radio, *implicitly* criticised his two associates in the country's supreme directorate — President Costa Gomes and General Otelo Saraiva de Carvalho, commander of the Copcon military security force.

Reuter

Big gap between Smith and ANC on Falls meeting details

BY TONY HAWKINS

SALISBURY, August 17.

WHILE three opposition political parties in Rhodesia have called on the Smith government to publish the full Pretoria agreement signed in the South African capital last week-end by the South African, Rhodesian and Zambian governments, the president of the African National Council, Bishop Muzorewa, says he is willing to "iron out" differences with the Government in the talks on the Victoria Falls bridge.

The Rhodesian interpretation of the agreement is that there will be a brief 30-minute meeting on the Victoria Falls bridge next Monday (August 25) to be followed by meetings of a committee or committees inside Rhodesia discussing specific aspects of the proposed constitutional agreement. There would be no amnesty to allow exiled nationalist leaders to participate within Rhodesia, but the ANC leadership inside Rhodesia would be allowed to travel freely to Lusaka or elsewhere to discuss the situation with external leaders.

The ANC interpretation is very different. It is that the two sides will meet on the bridge to identify points of difference with all constitutional discussions being conducted in the railway carriages and not inside Rhodesia.

There is a major practical snag to this interpretation in that although the border between Rhodesia and Zambia is formally closed it is estimated that an average of at least four trains a day is crossing the bridge with traffic for both Zaire and Zambia. With the civil war and chaos in Angola it is likely that increasing amounts of Zambian traffic will use Rhodesia railways regardless of whether or not there is an agreement. Consequently, it would involve shunting the special coaches on and off the bridge to allow rail traffic to pass.

A possible compromise would be for the working parties to meet at the Falls itself and also on the Zambian side of the river at Livingstone, with both sides guaranteeing safe conduct for the various delegates. However it would be wrong to underestimate the strength of White opposition to Mr. Smith agreeing to allow the "terrorist" leaders such as Mr. Chikerema to participate in talks inside Rhodesia.

The moderate opposition parties—the Rhodesia party and the Centre Party—and the increasingly important right wing United Conservative party have urged the Government to publish full details of the Pretoria agreement.

Maintaining the hardline attitude to the talks by Government Ministers, Mr. Smith said in a speech that there was no question of Rhodesia abandoning everything that it had fought for in the past 10 years. There would be no lowering of standards and the Government would not allow the white man to be "pushed around."

The Deputy Minister at the Prime Minister's office, Mr. Ted Sutton Pryce said white Rhodesians were permanent members of the community. He was convinced, he said, that his granddaughter would grow up in Rhodesia, not Zimbabwe (the nationalist name for Rhodesia).

Ovambo chief is shot

WINDHOEK, August 17.

POLICE to-day launched a big man hunt for the killer of Chief Filemon Elifas, leader of South-west Africa's biggest tribal group, the Ovambo nation, who was shot down from a passing car as he left a friend's home last night.

The 43-year-old chief, a massive figure whom his opponents called a puppet of South Africa was hit by several bullets and died in hospital at Oshakati, capital of the Ovamboland homeland of which he was chief minister.

The assassination came only two weeks before important round-table talks, grouping all 10 major ethnic and tribal groups on South West Africa, on the future of this disputed territory which South African administers in defiance of the United Nations.

South African Prime Minister John Vorster said his Government would leave no stone unturned in its efforts to apprehend the assassins of Chief Elifas.

Speaking to reporters travelling with him from Asuncion to Montevideo, he said law and order would be maintained in South-west Africa "regardless of the consequences."

Mr. Vorster said he regarded the assassination of Chief Elifas "as a particularly dastardly deed of satanic inspiration, coming as it does so soon before *the start of the South-west* African constitutional talks."

Chief Elifas was shot as he left a friend's house at Onupa, near Oodangwa, after a regular Saturday night visit. His driver was also shot and seriously wounded.

Reuter

Papadopoulos statement banned

ATHENS, August 17.

GOVERNMENT warnings that the publication of a declaration by former dictator George Papadopoulos may lead to prosecution prevented newspapers from using it in their Sunday editions.

According to the Athens daily newspaper Eleftheros Kosmos, a spokesman for the district attorney's office telephoned newspaper editors on Saturday and warned them "the constitution prevents us from prohibiting the publication of the declaration but its use may constitute a Press Law violation."

In his 100-word declaration distributed on Saturday, Papadopoulos explained the reasons which motivated his coup in 1967, claimed that he intended to build a sound democratic system, said his Government had several achievements and accused politicians of retracting statements they made in the past describing the Communist danger against the country.

Political observers in Athens said Papadopoulos was trying to warn ruling political parties that he may be forced to make public secret documents justifying his past actions and, especially, showing he had encouragement from the same persons now seeking to condemn him.

UPI

DANISH BANK RATE CUT

By Hilary Barnes

COPENHAGEN, August 17.

THE DANISH bank rate will be reduced from 8 per cent. to 7½ per cent. with effect from Monday, the Central Bank announced. The reduction, desirable in view of the economic slowdown and high unemployment, was facilitated by the cuts in the discount rate in Germany and Holland, said the bank.

Iran moves to absorb liquidity, cut borrowing

BY ROBERT GRAHAM

TEHRAN, August 17.

THE IRAN Central Bank has introduced measures to absorb excess liquidity and curb short term borrowing by the Iranian commercial banks. The measures have been prompted by the commercial banks running close to or exceeding their credit ceilings and turning towards international money markets, and are designed to ease distortions in the over-heated economy.

The Central Bank's action is along three broad lines. To discourage a rush of short term foreign borrowing by the commercial banks, which in recent weeks has begun to gain momentum, the ratio of obligatory deposits on such borrowings has been raised from 15 per cent. to 20 per cent. However, the authorities have deliberately exempted long term borrowing by specialised banks because of the need for external project finance.

Secondly, to absorb excess liquidity, the minimum reserve requirement on the increase in demand and savings deposits to be placed with the central bank by the commercial banks has been raised from 12 per cent. to 15 per cent., effective from the beginning of August. At the same time the ratio of non-sight deposits which the banks are obliged to invest in Government bonds has been raised from 30 per cent. to 45 per cent. This should enable more funds to be diverted towards medium term investment.

The Central Bank has also decided to allow a small increase in lending by the commercial banks to the private sector. Initially for this year, March 1975-76, the authorities had planned on a 35 per cent. increase in lending to the private sector—or an increase of Riyals 260bn. This will now be raised to Riyals 300bn. This latter move has been necessitated because most banks have been using up their credit allocations very rapidly — so much so that in the past two weeks many loans were frozen pending clarification of the situation by the Central Bank. As it is, 40 per cent. of the total increase in lending to the private sector was utilised in the first three months of the new financial year — an unprecedented situation, which in turn led the banks to look abroad for funds.

Finally, to discourage "hasty" imports, the import deposit guarantee which banks are obliged to place with the Central Bank on behalf of their clients has been raised from 10 per cent. to 30 per cent. However, project related imports and capital goods have been exempted from the increase.

Unsuccessful anti-Khedaffi coup reported

CAIRO, August 17.

A MEMBER of the Libyan Revolutionary Command Council was arrested in Libya several days ago, along with 30 other army officers, after trying unsuccessfully to stage a coup against Colonel Muammar Khedaffi, Cairo newspapers reported today.

The council member, Major Bashir Hawadi, was taken into custody after being injured while resisting arrest, the newspapers said. Their unsourced accounts, which come amid a mounting war of words between Egypt and Libya, were published by three leading Cairo dailies—Al Ahram, Al Gomhouria and Al Akhbar—in almost identical versions.

The newspapers added that Major Hawadi's chief co-conspirator was also a member of the Revolutionary Council, Major Omar El Meheishi, who was in charge of Libya's industrialisation plan. They said he fled the country and went to Tunisia.

The Cairo newspapers did not give the exact date of the reported *coup attempt. But they* said earlier this week that all Libyans had been banned from leaving the country since last Wednesday. They claimed the ban was imposed to avoid the escape of any of the coup participants and to stop Libyans from leaking reports of the attempt to the outside world.

The newspapers said the attempt also involved other members of the Revolutionary Command Council and of the Free Officers' Organisation, and commanders of the Republican Guard in both Tripoli and Benghazi.

Charges and counter-charges between Egypt and Libya in the past few months have taken relations beyond the point of no return, according to observers here.

Last week, an Egyptian official denied a Press report that President Anwar Sadat's residence in Cairo was the target of a subversive attempt.

President Sadat, accompanied *by his top military assistants,* inspected Egypt's borders with Libya last Thursday and conferred with military commanders in the area.

Reuter

Arafat in PLO talks

BY LOUIS FARES

DAMASCUS, August 17.

THE MEETINGS in Damascus of the PLO's Central Council ended yesterday with the announcement that the Palestinian National Council will be reconvened in September. Observers in the Syrian capital noticed, however, that the reconvening of the Palestinian National Council on September 15 at the premises of the Arab League in Cairo is taking place, after all, at the initiative of Arafat. Observers have also noticed that the PNC should have been reconvened since the expiration of its mandate last January. But this did not happen because Arafat was not yet ready for it.

For one thing, Arafat wants to enlarge the PNC to increase the number of representatives from occupied territories in order to foil attempts by Israel to form a Palestinian entity independent of the PLO in the occupied territories.

Arafat will also be seeking from the enlarged PNC to be maintained in his post as chairman of a newly elected PLO's executive committee, possibly with the guerilla groups which had withdrawn from the PLO during the past 12 months.

Consequently, if Arafat is maintained in his functions by the enlarged PNC, he will be more able than in the past to face his rivals, the heads of other extremist guerilla groups. The later will have either to abide by his command, or appear to the Palestinian public as the rivals of the whole enlarged PNC and not only of Arafat.

The Executive's World: The Office

EDITED BY JAMES ENSOR

Britain spends less than other nations on furniture and has lost its lead in ergonomics, says **Bob Crew**

Are you sitting comfortably?

YOU DON'T have to be pregnant to suffer from backache. One-third of the male population and half the adult population is said to be suffering from it. The situation is so grave that the Institute of Directors—concerned with the loss of an estimated £200m. p.a. (that is 13m. working days) through absenteeism resulting from back pains—is sponsoring a London-based charity in its efforts to raise £250,000 with which to establish a research programme in order to discover, thereby, the occupational hazards, causes and cures of back pain.

The charity concerned is the Back Pain Association and, as one of its spokesmen has pointed out, if research were to achieve only a 10 per cent. improvement, it would represent a saving to British Industry of £20m. per annum, while also reducing much suffering throughout the country. With 1.5m. sufferers per annum seeking medical attention, doctors, too, would clearly benefit.

The wrong (left) posture in the wrong design of chair and the correct posture in an anatomically designed chair.

Back pain

Every day, 50,000 personnel throughout Britain are absent from work with back pain. This represents a greater financial loss to the national economy than that incurred by industrial strikes! It is no exaggeration to say that back pain has become the scourge of the nation, attacking all levels of the work force, from company directors, office personnel, business executives and their secretaries to shopfloor workers and labourers.

Unlike other body ailments, back pain is not a killer, but it is a cause either of discomfort or agony. As a result, people are often disabled from working efficiently (or at all), while incomes and/or company profits also suffer. Back pain takes a debilitating toll of people by fatiguing them and adversely affecting their nerves, blood circulation, breathing, liver, kidneys, sexual and work performance, while increasing their chances of an arthritic middle age.

Because back pain has received scant scientific attention until recently, little is known about it—except that it hurts and can put sufferers out of action. Research currently underway is concerned with the urgent necessity of understanding an apparently much misunderstood part of the human anatomy—the spine and its functions.

In the absence of reliable factual data, doctors are often at a loss to diagnose and treat the aching back. Hardly an emotional issue, like cancer or heart disease, back pain has become a joke rather than a dirty word, a subject of folklore rather than medical science. Because of the traditionally widespread ignorance about the function of the spine, much of the functional furniture that we use is thought to cause or aggravate back pain.

Such furniture—particularly office chairs—is not at all functional as regards the function and posture of the human body. It is, rather, functional only with regard to the requirements of buildings, the engineering and economic requirements of manufacturers, and the profit requirements of company accountants.

The type of furniture in question is that which is highly practical from the point of view of mass production, tooling, stacking, handling and space utilisation, but very impractical as regards health, comfort, work efficiency and employee welfare.

All too often, trendy furniture to which top marks can be awarded for style, fabric, fashion and economics, is positively hostile to the psysiological and anatomical needs of the user. Many of the chairs which enhance decor can ruin posture and health. Such chairs are chosen by those who are indifferent to the bad effects of their purchase because 60 per cent. of office furniture purchased in Britain to-day is specified by architects who ought to know better, but who cannot be expected to care very much about the ill-effects of their purchases, because they have virtually no schooling in ergonomics and do not have to suffer the badly designed chairs which they order for the use of other people.

Ergonomics—the study of human energy and dynamics, of human performance in relation to environment and material objects—in furniture design fits furniture to the user, whereas ordinary furniture all too often bends the user to the uncompromising shape and requirements of the furniture! Instead of reducing the body's muscular workload—which is often an overload—ordinary furniture not infrequently increases it. While sitting, instead of standing, is better calculated to keep back ailments at bay, one has to be sitting properly rather than improperly, with one's bottom rather than thighs taking the weight and the small of the back directly supported.

Over the years, British Standards for furniture have been too flabby to achieve an effective commitment to proper ergonomic design in manufacture. They have been more than generous to manufacturers — unwilling to recognise ergonomics or to convert to new standards—by giving them a wide range of recommended standards from which to choose. Not being mandatory, British Standards have lacked teeth and there has been no effort to force manufacturers, who have been free to ignore the standards or interpret them loosely which is what, for the most part, has happened.

Manufacturers — more concerned with the strength, stability and size of furniture than its anthropometric performance—have been committed to their own standards, reluctant and therefore slow either to convert to new standards or to consider converting. The requirements of British Standards, in the early and mid-sixties were ignored until the late sixties and early seventies, after much drum beating by the British Standards Institute. Since 1965 it has taken a good five years to persuade manufacturers even to consider the case for ergonomics and to start improving standards.

According to the B.S.I., serious recognition has now been achieved. But, even so, while manufacturers have been "recognising" matters since the late sixties, there has not *been much resultant action.* There is still an abundance of badly designed, unhealthy furniture being dumped on the market.

In January of this year, a study project was instituted at Loughborough University to update information on ergonomics. It is the first study of its kind to examine the possibilities for promoting comfort as well as meeting basic anthropometric user-requirements. Two years are scheduled for the completion of this project which is financed by the Government and industry. There has been no lack of research or ergonomic know-how in Britain. But we have been slow to act on what we know.

When Britain entered negotiations for a common international standard it found conflicting opinions on ergonomic principles between its own and different European experts, as a result of which it has proved difficult to agree what is an acceptable ergonomic international standard for furniture. In Britain conflicting opinions have led to standards for clerical chairs, for instance, being lower than those for typists' chairs, while conference chairs have no BSI standard at all.

Plush office

It is, of course, arguable that fixed, non-adjustable chairs—to which British Standards on ergonomics apply—are not ergonomic at all by reason of their being fixed and non-adjustable. Equally, much of the expensive soft seating, found in plush executive office suites, is excessively padded to disguise a lack of ergonomic design from which it—and its users—are suffering.

According to the leader of Britain's delegation on office furniture to the CEN working group on European Standardisation, Mr. F. H. Bex of Unilever, the most neglected area for design and research is the needs of executives and managers. In his view, "Executive furniture, above all, tends to be trendy and pretentious rather than practical. This is a very serious matter." Referring to vital ergonomics research conducted in the U.K. by Floyd, Roberts and others since the fifties, which has been continuously developed and refined at Loughborough University and the Furniture Industry Research Association, *Mr. Beck takes the view that* more has been done by far in Britain than in any other European country to research and apply ergonomic knowledge. He contends that, while there are still problem areas requiring more education and enlightenment, there is no shortage of good quality office furniture available in this country to those who wish to buy it. For domestic furniture, there are no British Standards on ergonomics *at all.*

The failure of Britain and EEC/EFTA countries to agree a commonly acceptable European standard, since negotiations began in 1968, is as much a result of conflicting views on ergonomics as it is of the varying average body-statures of the different countries.

With less than 1 per cent. of the total budget for new British building constructions being spent on furniture and the U.K. spending lamentably less per head of population than other nations—£4 per person p.a. in Britain, against £18 in Germany and £16 in Italy—user health and comfort have clearly been sacrificed.

It costs as much as 30 per cent. (that is £30) more to purchase an anatomically designed chair, so many purchasers aren't buying—particularly office equipment purchasers with clerks, junior executives and conference audiences to shop for. There are some who adopt an uncomplaining attitude to backache on the dubious grounds that "one gets used to it," while others are blinded by aesthetic considerations to the shortcomings of furniture designs which are poor ergonomically.

Manufacturers suggest that purchasing attitudes are influenced by three major factors, in the following order, from which the health and comfort factor is conspicuously absent —cost, visual appeal and fashion.

Culprit

When we stop to think about it, we all know the kind of furniture that is the culprit: flat non-adjustable desk tops that are too low and too flat, so that we must inevitably stoop and crouch over them, straining our backs in the process: chairs that look well, mean well and stack well but which do not feel well; chairs which ignore the shape of your spine and give your anatomy a rough time; chairs which seldom give themselves away in the couple of minutes that you devote to trying them out at the point of purchase, but which give the game away when you've spent an hour or more upon them.

Whether we stand or sit, our muscles are under a damaging static load if we are improperly supported. A proper ergonomic chair, properly used, is the solution to the problem, whereas an improper chair will guarantee rather than preclude discomfort, bad health and inefficiency.

Manufacturers of truly ergonomic furniture claim that their furniture lessens the muscular effort of the body, drastically reducing the kind of muscular strain which, in ordinary chairs, saps us of 30 to 40 per cent. of our natural energy.

Just as scientific research into back pain is a newcomer to medicine, so, too, is ergonomics a newcomer to applied science. Until furniture (and machines) relate to people rather than buildings and their economics we shall not achieve a totally satisfactory work environment. We have to improve the human performance of furniture (and machinery) and we shall not do this until the demand for ergonomic design is stimulated.

The good food ride

BY SYDNEY PAULDEN

SILVERSTONE, Ascot, Epsom, St. Andrews and Wentworth—these are becoming more and more popular as the scenes for entertaining business guests, both foreign and British. The problems, however, connected with acting host in these places are a lack of control over the menus and wines provided, a possible lack of privacy for those quiet discussions that might produce leads for future business, and a lack of opportunity to put the personal stamp of host company on the whole proceeding.

Mr. Michael Logan, a 28-year-old hotel owner, has developed what he believes to be a method of business entertaining that solves these problems at outdoor events. He has converted a double-decker bus into a *mobile, self-contained "hospitality facility."*

Visitors enter by a canopy-bedecked door and find themselves in a cosy, tastefully fitted-out bar that accounts for half the lower deck. Upstairs the deck is a complete executive dining room, with seating at separate tables for 22 people. The rear section of the lower deck is the kitchen, with food despatched direct to the dining room above by a "dumb waiter."

The first client for the bus was a contract catering company, Taylorplan of Richmond, Surrey, an organisation specialising in providing dining-room, canteen and accommodation facilities for companies such as Harrod's and ICI, and for oil rigs. "Being a catering firm ourselves," explains Taylorplan Sales Director Roy Munday, "we have to do something special when we entertain our business guests. So we hired the bus for Derby Day at Epsom. It was parked at Tattenham Corner. Inside the bus we had a TV set, so we could watch the races over drinks and a meal and, when the horses passed the corner, we could get a fine view from the vantage point of the upper deck.

"Our guests didn't believe it when they first received our invitations to eat on a bus, but they were delighted and impressed with the day. It was particularly valuable for us to be able to specify the food and drinks that we wanted from Mike Logan.

Mr. Logan's Walnut Tree hotel is in Fawley, on the Henley Regatta course, and he caters for companies entertaining there. It was from this experience that he designed the bus project. The hire charge for the facility is £100 per day, which includes the delivery to the site, two chefs, a barman, two waiters and a manager. The client then pays for all drinks and an agreed rate per head according to the food specified. Before taking the Walnut Tree, Mr. Logan trained with the Savoy Group, at the Savoy, Claridge's and Simpson's in The Strand.

The vehicle is fitted externally with boards to carry any banners or posters that the client wishes to display. Inside it boasts three refrigerators, one-way glass in the windows, a ventilation system and special insulation against the sun.

Britain toughens its work safety laws

BY ROY LEVINE

"I BET you that because of the heat wave you could find, within a square mile of this building, over 100 fire doors wedged open —but such a flagrant act is now an offence under the new legislation."

Mr. David Farmer, group safety adviser for British Petroleum, was speaking from the group's offices in Euston Road, London. The new legislation he referred to is the Health and Safety at Work Act 1974 which is helping to change management's attitudes.

Perhaps for the first time, the issue of occupational health is receiving public attention without being prompted by a fatal accident such as Flixborough which galvanised the nation last summer. Last week, for instance, two reports were published which could be of vital interest to management.

The first is "Health and Safety at Work—an appraisal for management" written by David Farmer and published by Keith Shipton Developments in association with Woodhead-Faulkner. The second is a report for 1973-4 of the work of *the Employment Medical Advisory Service,* formed by the government at the beginning of 1973 to supervise occupational health.

Talking about the new legislation, Mr. Farmer stresses, "Management should be looking at matters of procedure and organisation. Specific health dangers are a close second."

Whereas in the past, the various health and safety Acts have encouraged management to compile checklists of hazards, the new Act imposes wider responsibilities. In the first place, employers are obliged to have policy statements listing attitudes to and procedures for improved standards. This is the first thing an inspector may ask for when visiting premises.

For management this is the first overt act in the now statutory obligation to take reasonable care for the safety of employees and the public. For only then can management avoid any criminal prosecution.

"A checklist is not always the answer," says Mr. Farmer, "managers need now to concentrate on the software rather than the hardware."

Mr. Farmer was asked to join BP in early 1974—a year before the new Act came into force. He has spent a good deal of his time in giving "teach-ins" to over 2,000 managers at the group, briefing them on the history of the Act, and how it could affect them, which is *exactly what his* book sets out to achieve.

Liability

"There is a healthy apprehension," he notes. "Most managers want to know what their liability would be if they made a mistake which led to injuries or death. I tell them that in most cases they would not be liable for prosecution provided they can show they had taken reasonable care for the safety of employees."

One of the most important changes which the Act brings about is the increased power given to inspectors. Until this year an inspector had to bring a defaulter to the Courts to enforce better safety standards. Now he can issue a prohibition notice which immediately prohibits the defaulter from using the machinery, premises, etc.

Of course, the defaulter can appeal to an Industrial Tribunal, and the inspector will have to justify his action. But until judgment has been passed, the machinery cannot be used. If it is there are heavy penalties—an unlimited fine or a prison sentence of up to two years. All the inspector need *show is that the machinery, etc.,* in question posed a threat to the safety of employees or the public.

"In many cases in real life," explains Mr. Farmer, himself a former inspector, "it is possible to negotiate with inspectors. For example, a reasonable request for more time to fix or replace the machinery, etc., will often be given, provided the danger is not immediate."

In the first six months of the year, since the Act started, there have been 647 prohibitive notices given and a further 263 deferred prohibitive notices. In addition, there have been no fewer than 1,743 improvement notices given, requiring some action to premises, etc., within a fixed period.

Flixborough

Naturally there are no comparisons with previous periods, although the figures do suggest a high level of activity by the Government inspectors. The question is, with cut-backs in public expenditure budgets and recession hitting business, can the Government properly control and monitor safety standards, and can business afford the improvements which become necessary?

The Health and Safety Executive, the main body set up under the Act, has some 700 inspectors to cover the country. Mr. Michael Foot, the Employment Secretary, has promised a 50 per cent. increase over five years, but doubts have been expressed about whether that will actually be fulfilled. Even though the inspectors have started to change their method of operating and have become industry rather than geographic specialists, it is doubtful if there is a big enough staff to make a strong impact in the foreseeable future.

But that is no excuse for management to slacken their efforts. Suggestions that a rigorous application of the Act would lead to some factory closures because of the expense of installing adequate machinery are plainly nonsense. If a factory is a threat to the lives of its inmates, it should not be there anyway.

Many examples of how bad conditions at the office affect the health of employees are given in the report by the Employment Medical Advisory Service. In one case, staff of a newspaper accounts office began complaining of frequent headaches. The cause was found to be carbon monoxide in the atmosphere to a level of three times the threshold limit value. The source was found to be a gas-fired central heating boiler in a flat under the offices.

The report details research being carried out on the effects of some of the potentially hazardous substances involved in work processes, including asbestos, vinyl chloride monomer and lead. It also contains the latest statistics on notifiable industrial diseases—which show that there has been a drop in the years under study, falling from 214 in 1973 to 143 in 1974. Similarly, gassing accidents fell from 274 to 268.

Hopefully, management will insist, despite the heat wave, that the 100 fire doors around the BP building in Euston Road will stay shut. That way the accident rate will stay low.

هكذا من الأصل

Entertainment Guide

OPERA & BALLET

COLISEUM 836 3161. ENGLISH NATIONAL THEATRE. Tomor. & Thur. 7.30 THE MAGIC FLUTE. Wed. 7 DER ROSENKAVALIER. Friday 7 CARMEN. Saturday 7.30 MARY STEWART.

ROYAL FESTIVAL HALL. 928 3191. Fully air-conditioned. LONDON FESTIVAL BALLET. Evgs. 7.30. Mat. Sats. 3. This week Swan Lake. Next week: Noir et Blanc. Schéhérazade. Gaîté Parisienne.

YOUNG VIC (by Old Vic) 928 6363. Tnt. 8 p.m. EDWARD SECOND.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Mat. Thur., Sat. 3.00. JEAN SIMMONS. HERMIONE GINGOLD. JOS ACKLAND in A LITTLE NIGHT MUSIC. "Music that Ravishes the Senses. A show Kissed with Genius." Gdn.

ALBERY. 836 3878. Evenings 7.45. Sat. 3.00 and 8.00. RETURN BY PUBLIC DEMAND. Evening Standard Drama Award 1974 for BEST COMEDY OF THE YEAR. RSC in Tom Stoppard's TRAVESTIES. LIMITED SEASON. BOOK NOW.

ALDWYCH (RSC) 836 6404. Recorded booking inf. 836 5332. Red. price preview tonight 7.30—Few seats available. World Premiere of Charles Wood's JINGO. TOMORROW AT 7.0 (Subs. Evgs. 7.30 Mat. Sat. 2.30) LIMITED SEASON. Air conditioned.

AMBASSADOR'S. 836 1171. Evenings Mon. to Sat. 8.15 (plus late night perf. 11.15 p.m. Thurs., Fri. and Sats.). HINGE AND BRACKET. Seats £2.50, £2.00 (late night perf. £1.50). "Smooth polished and last moving raucous laughter." Guardian. "Brilliant, nostalgic pastiche." D. Exp. "Hilarious." Ev. Standard.

APOLLO. 437 2663. Evenings 8.00. Mat. Thurs. 3.00. Sat. 5.00 and 8.30. MARGARET LEIGHTON. ALEC GUINNESS in A FAMILY AND A FORTUNE.

ARTS THEATRE CLUB. 836 3334. Great Newport St. (adj. Leic. Sq. Underground) (instant temp. membership avail. 15p). Evenings Tues. to Sunday at 8.00. ANNIE ROSS. MIRIAM MARGOYLES. KENNEDY'S CHILDREN. "The play is fantastic." Observer.

CAMBRIDGE THEATRE. 836 6056. Michael DENISON. Derek GRIFFITHS. Val PRINGLE. Norman BEATON in THE BLACK MIKADO. "THE BEST MUSICAL OF 1975 AND PROBABLY 1976 and 1977 AS WELL." Sun Times. Ev. 8. Wed., Sat. 5.0. 8.15.

CHICHESTER. 0243 86333. Tonight & Aug. 20, 21 at 7.0. Aug. 23 at 2.0 OTHELLO. Aug. 19, 22, 23 at 7.0. Aug. 21 at 2.0 MADE IN HEAVEN.

COMEDY. 930 2578. Evgs. 8.00. Sats. at 5.30 and 8.30. Matinees Thurs. 3.0. "The delectable HAYLEY MILLS." DT. FRANCIS MATTHEWS. LEIGH LAWSON. "Samuel Taylor's [illegible] comedy." E.N. A TOUCH OF SPRING. "Effervescent direction by Alan Davis." F.T. "THE AUDIENCE were WEAK with LAUGHTER." F.T. "THIS FROLIC IS SUCH FUN." Evg. News.

CRITERION. 930 3216. Air conditioned. Evgs. 8.15. Mats. Thurs. and Sat. 5.00. Young Vic Production of Tom Stoppard's ROSENCRANTZ AND GUILDENSTERN.

DRURY LANE. 836 8108. Evenings 7.30. Matinees Wed. and Sat. 2.30. MICHAEL CRAWFORD in BILLY. A NEW MUSICAL. "MICHAEL CRAWFORD A WHOPPING WONDERFUL STAGE STAR." News of the World. "HE AND HIS SHOW ARE A TREAT." Sunday Express.

DUCHESS THEATRE. 836 8243. Evenings 8.00. Fri. Sat. 6.15. 9.00. ALIVE ON STAGE. OH! CALCUTTA! NOW IN ITS 6th YEAR. "Breathtakingly Beautiful." Sun. Tel. "The Nudity is Stunning." Daily Tel.

DUKE OF YORK'S. 836 5122. Evs. 8. Sat. 5 and 8.30. Red. price Mats. Th. 3. BERYL REID. HARRY H. CORBETT. KENNETH CRANHAM. ENTERTAINING MR. SLOANE by JOE ORTON. "A beautiful evening." Fin. Times.

FORTUNE. 836 2238. Evenings at 8.0. Sat. 5.30 and 8.30. Th. 2.45 Red. prices. SLEUTH. "THE BEST THRILLER EVER"—New York Times. 6th GREAT YEAR.

GARRICK THEATRE. 01-836 4601. Mon.-Thurs. 8.15. Fri., Sat. 6.00. 8.40. RICHARD BRIERS "Hilarious." E. Stand. ABSENT FRIENDS. "ALAN AYCKBOURN'S FINEST FUNNIEST PLAY." H. Hobson. S. Times.

GLOBE THEATRE. 437 1592. BEST PLAY OF THE YEAR. Evening Standard Drama Award. RONALD PICKUP in THE NORMAN CONQUESTS by ALAN AYCKBOURN. TABLE MANNERS Thr. & Wed. 8.15. Sat. 5.30. LIVING TOGETHER Tomor. & Fri. 8.15. Sat. 8.30. R'ND & R'ND THE GARDEN Wed. 3.0. Fri. 8.15.

GREENWICH THEATRE. 01-858 7755. Evenings 8.0. Mat. Sat. 2.30. MEASURE FOR MEASURE.

HAYMARKET. 930 9832. Evgs. 7.45. Mat. Wed. 2.30. Sat. 4.30 and 8.00. JOHN CLEMENTS in Ronald Millar-C. P. Snow's THE CASE IN QUESTION. "An excellent evening's entertainment, an enthralling story." Harold Hobson. Sunday Times.

HER MAJESTY'S. 930 6606. Evgs. 8.00. Fri. and Sat. 6.00 and 8.40. HAIR.

KING'S ROAD THEATRE. 352 7488. Mon. to Thur. 9.00. Fri. and Sat. 7.30. 9.30. THE ROCKY HORROR SHOW. BEST MUSICAL OF THE YEAR. Evening Standard Drama Award 1973.

LYRIC. 01-437 3686. Red. price prevs. Aug. 23, 25 at 8.0. Opens Aug. 26 at 7.0. Subs. 8.0 (incl. Aug. 27). Sat. & Wed. 5.45 & 8.30. HAPPY END. The Brecht Weill Musical.

MAYFAIR. 629 3036. Fully air cond. Evgs. 7.15. Sat. 5.30 and 8.40. BILLIE WHITELAW. BARBARA FERRIS and DINSDALE LANDEN in ALPHABETICAL ORDER. "Michael Frayn's comedy is a delightful experience." Evening Standard.

MERMAID. 248 7656. Food 248 2835. Opens Thurs. at 7.0. Sub. 8.0. Mat. Thur., Sat. 4.0. Bernard Shaw's ON THE ROCKS. Combined dinner and theatre ticket £4.95.

NEW LONDON. Drury Lane 405 0072. Mon. to Thur. 8.00. Fri., Sat. 6.0. 8.45. KWA ZULU. "Probably the most compulsively enjoyable musical show in London." F. Times. Theatre Fully Air Conditioned.

OLD VIC. THE NATIONAL THEATRE. (928 7616). Tonight & Tomorrow at 7.30 Last performances of Samuel Beckett's HAPPY DAYS. Wednesday 7.30. Thurs. 2.15 & 7.30 THE MISANTHROPE. Friday at 7.30: ENGAGED. Some seats held for sale day of performance from 10 a.m.

OPEN AIR. Regent's Park. 01-486 2431. A MIDSUMMER NIGHT'S DREAM Evgs. 7.45. Mat. Wed. Thur. Sat. 2.30. ZOO STORY Lunchtimes today 1.15.

OPEN SPACE. 580 4970. Temp. m'ship. MAROWITZ "HAMLET." From tomor. Evgs. 8 p.m. (Tues.-Sun.) FOR TWO WEEKS ONLY. Lunchtime ROSALIND by J. M. Barrie. Opens Wed. 1.10. Subs. Tues.-Sat. 1.15 Until Aug. 29.

PALACE. 437 6834. Mon.-Thur. 8.00. Fri. and Sat. 6.00 and 8.40. JESUS CHRIST SUPERSTAR.

PALLADIUM. 437 7373. Evenings 7.30. Mats. Wed. Sat. at 2.45. TOMMY STEELE IN LONDON'S MOST BEAUTIFUL MUSICAL HANS ANDERSEN. "SUMPTUOUS SPECTACLE. SPLENDID SONGS. IT'S WONDERFUL." Daily Exp. SEATS AVAIL. THEATRE AND AGENTS.

PHOENIX THEATRE. 01-836 8611. Evenings 7.45. Fri., Sat. 5.45 and 8.45. GODSPELL. "IS MAGNIFICENT." Sunday Times. REDUCED PRICE 5.45 PERF. TODAY.

PICCADILLY. 437 4506. Special Limited Season. Evgs. at 8. HENRY FONDA as CLARENCE DARROW. A one man play about the most famous Trial lawyer of the 20th century. "Brilliantly absorbing." E. News. "Absolutely magnetic." N. of W. FULLY AIR-CONDITIONED.

PRINCE OF WALES. 930 8681. Evenings 8.30. Mat. Wed. Sat. 3.00. JAMES STEWART in HARVEY. Must end September 27. Opens Oct. 8. Prev. from Oct. 1. HARRY SECOMBE in a comedy SCHIPPEL.

QUEEN'S. 01-734 1166. Evenings 8.00. Mats. Thur. 3.00. Sat. 5.30 and 8.30. ALAN BATES in OTHERWISE ENGAGED. A new Play by SIMON GRAY. Directed by HAROLD PINTER.

RAYMOND REVUE BAR THEATRE. 734 1593. At 7 p.m., 9 p.m., 11 p.m. PAUL RAYMOND presents THE FESTIVAL OF EROTICA '75.

REGENT. 323 2707. Evening 8.30. Fri. and Sat. at 7.00 and 9.45. 12th MONTH OF SENSATIONAL STAGE SHOW OF THE '70s. LET MY PEOPLE COME. AN ADULT MUSICAL. "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROYAL COURT. 730 1745. Prevs. from August 29 at 8. Saturdays 5 & 8.30. TEETH 'N' SMILES by David Hare.

SADLER'S WELLS THEATRE. 837 1672. LIMITED SEASON until Sept. 6. MARCEL MARCEAU. Evgs. 7.30. Mat. Sat. 2.30.

SAVOY. 836 8888. Evenings at 8. Mats. Wed. at 2.30 and Sat. at 5. Barbara MULLEN and Derek BOND in AGATHA CHRISTIE'S MURDER AT THE VICARAGE.

ST. MARTIN'S. 836 1443. Evenings 8.0. Mat. Tues. 2.45. Sats. 5.00 and 8.00. AGATHA CHRISTIE'S THE MOUSETRAP. World's longest-ever run. 23rd YEAR.

SHAW THEATRE. 01-388 1394. Opens tonight 7.0. Subs. Evgs. 7.30. National Youth Theatre in THE LORD OF MISRULE.

STRAND. 836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.30 and 8.30. DORIS HARE. LEO FRANKLYN. RICHARD CALDICOT. ANDREW SACHS. NO SEX PLEASE, WE'RE BRITISH. Directed by Allan Davis. LONDON'S LONGEST LAUGH. 5th YEAR.

TALK OF THE TOWN. 01-734 5051. From 8.15. Dining and Dancing at 9.30. New Revue SWEET TEMPTATION and at 11 p.m. TONY CHRISTIE.

VAUDEVILLE. 836 9988. Fully air cond. Ev. 8.00. Mat. Tu. 3.0. Sat. 5.30. 8.40. MILLICENT MARTIN. AMANDA BARRIE in ALAN AYCKBOURNE'S ABSURD PERSON SINGULAR. Best Comedy of Year E. Std. Award '73.

VICTORIA PALACE. 01-834 1317. Evenings 8.0. Wed., Sat. 6.0. 8.45. MAX BYGRAVES in "SWINGALONGAMAX." Song and Laughter Spectacular with Great Company. MUST TERMINATE OCTOBER 25.

WESTMINSTER. 834 0238. Evs. 8. Sats. 5.15. 8.30. Wed. 2.30. Bristol Old Vic Musical Story of the Great "Gilbert and Sullivan" Partnership. TARANTARA! TARANTARA! "A shining gem"—Mail. "This delightful show"—Evg. News. "Full of life and wit"—Harold Hobson. Sun. Times.

WHITEHALL. 930 6692-7765. Opens Wednesday, August 20. JOE ORTON'S Brilliant Farce WHAT THE BUTLER SAW. Evgs. 8.00. Fri., Sat. 5.45. 8.45.

WIMBLEDON. 01-946 5211. ACTORS COMPANY SEASON. Mon.-Fri. 7.30. Saturdays 5 & 8.15. TARTUFFE. Next Wk.: Bacchae and The Beanstalk.

WINDMILL THEATRE. 437 6312. PAUL RAYMOND presents LET'S GET LAID featuring JOHN INMAN—"ARE YOU BEING SERVED?" Twice Nightly at 7.00 and 9.00.

WYNDHAM'S. 836 3028. Mon.-Fri. 8. Sats. 5.00 and 8.00. Mats. Wed. 3.00. JOHN GIELGUD. RALPH RICHARDSON. National Theatre Production. HAROLD PINTER'S NO MAN'S LAND. Directed by PETER HALL. "GREAT ACTING AT ITS HIGHEST PITCH." E. News. Limited Season.

CINEMAS

ABC 1 & 2 Shaftesbury Ave. 836 8861. Sep. Perfs. All Seats Bookable. 1: THE GODFATHER PART II (X). Wk. & Sun. 2.45. 8.00. 2: THE DROWNING POOL (A). Wk. & Sun. 2.00. 5.30. 8.30.

CASINO. 437 6877. EARTHQUAKE (A). You'll FEEL it as well as see it in SENSURROUND. Sep. Perfs. daily at 2.30. 5.30 and 8.30. Seats bookable.

CURZON. Curzon Street. W.1. 499 3737. (No Smoking & Air Cond.) ALICE DOESN'T LIVE HERE ANY MORE (AA). Progs. at 1.55 (not Sun.), 4.00. 6.15. 8.30. Late Show Sat. 11. Phone Bkgs.

LEICESTER SQUARE THEATRE. 930 5252. See! Hear! Feel! TOMMY (AA). The film event of the year. Sep. perfs. 1.20. 4.30. 8.00. Sun. 4.30. 8.00. Late show Fri. and Sat. 11.15. All seats may be booked.

ODEON HAYMARKET. 930 2738-2771. SHAMPOO (X). Sep. perfs. Wk. 1.15. 4.45. 8.15. Shampoo at 1.55. 5.30. 8.55. All seats may be booked.

ODEON LEICESTER SQUARE. 930 6111. THAT LUCKY TOUCH (A). Also Ann Todd's THUNDER OF LIGHT (U). Cont. Progs. Wk. 2.00. 3.35. 6.00. 8.20.

ODEON. St. Martin's Lane.—HOME OF DISNEY MOVIES—For information Tel. 240 0071-0072. Box Office enquiries Tel. 836 0691-1811. Walt Disney's LADY AND THE TRAMP (U). Sep. progs. Wk. 2.00. 5.15. 8.30. Sat. 12.00. 3.30. 6.00. 8.45. Sun. 3.00. 6.00. 8.45. Late show Sat. 11.45. All seats may be booked.

PRINCE CHARLES. Leic. Sq. 437 8181. 11th Sensational Month! EMMANUELLE (X). Sep. Perfs. Dly. (inc. Sun.) 2.45. 6.15. 9.00. Late Show 11.45 Fri. and Sat. Seats bookable. Licensed Bar.

SCENE 2. Leic. Sq. Wardour St. 439 4470. Cont. Perfs. Dly. from 12.30. Late Show Fri. & Sat. 12.05. YOUNG FRANKENSTEIN (AA). Progs. 12.30. 2.45. 5.05. 7.25. 9.45. Late Show Fri. & Sat. 12.05.

SCENE 3. Leic. Sq. (Wardour St.). 439 4470. THE TOWERING INFERNO (A). Sep. Perfs. Dly. 2.00. 5.20. 8.40. Late Show Fri. & Sat. 11.45. Seats Bkble.—All Perfs.

SCENE 4. Leic. Sq. (Wardour St.). 439 4470. 2nd YEAR. The Film Everybody's Talking About. THE EXORCIST (X). Directed by William Friedkin. Sep. Perfs. Dly. 12.30. 3.00. 6.15. 9.00. Late Show Fri. & Sat. 11.30. Box Office Open Daily 10-8. Sun. 12-8. Seats Bkble. All Perfs.

WARNER WEST END. Leicester Square. Tel: 439 0791. 1. Theatre closed for alteration. Coming soon: PETERSEN (X). 2. Paul Newman THE DROWNING POOL (A). Cont. progs. Wk. 1.25. 3.40. 6.05. 8.25. 3. Steve McQueen. Paul Newman. THE TOWERING INFERNO (A). Sep. perfs. 1.25. 4.40. 7.55. All seats may be booked.

ART GALLERIES

AGNEW GALLERY, 43 Old Bond St., W.1. 01-629 6176. ENGLISH DECORATIVE PICTURES AND PRINTS. Until 19th Sept. Mon.-Fri. 9.30-5.30. Thurs. until 7.

ANTHROPOS' GALLERY. Specialists in Ethnic Arts. 67 Monmouth Street, Upper St. Martin's Lane. W.C.2. 01-836 0162. Europe's finest collection of New Guinea, Papuan and Eskimo Art. A new exhibition Mon.-Wed. 10-6. Thurs., Sat. 10-12 midnight. Sunday 1-7.

OMELL GALLERIES, 40 Albemarle Street, Piccadilly, W.1. SUMMER EXHIBITION. BRITISH MARITIME PAINTINGS and JOHN NEALE. "Artist in the English Tradition." Realistic Prices.

ROYAL ACADEMY OF ARTS. HOMMAGE À TERIADE. French Graphic Art of Picasso, Matisse, Chagall, etc. Until 12 Oct. Wkdys. 10-6. Suns. 2-6. Adm. 40p (Mondays 20p). AND THE PRIVATE ROOMS AND COLLECTED TREASURES. Until 31 Oct. Wkdys. 10-6 (Closed Tuesdays). Suns. 2-6. Adm. 50p. Students and pensioners half price.

REDFERN GALLERY. 52nd SUMMER EXHIBITION. June-September. 20, Cork Street, London, W.1.

CLUBS

EVE, 189 Regent St. 737 0557. A la carte or All-in Menu. Spectacular Floor Shows plus the rhythm of Los Vera Cruz and music of Johnny Hawksworth and Friends.

TO GET THE BIG CONTACTS. THE GASLIGHT of 4 Duke of York's St., St. James's, S.W.1. offers superb luxury entertainment from 9 p.m. in a friendly way, and our prices make sense. No membership required for out-of-town or overseas visitors. Tel. 930 1648.

GARGOYLE, 69 Dean St., London, W.1. STRIPTEASE FLOORSHOW. SEX ALIVE '75. Show at midnight and 1 a.m. Hostesses Monday-Friday. Closed Sat. 437 6455.

APPOINTMENTS

Coalite & Chemical subsidiaries' senior executives

COALITE AND CHEMICAL PRODUCTS has made the following Board appointments to subsidiaries: Mr. Roger Pane, Coalite Oils and Chemicals; Mr. Peter Fowler, Doncaster Coalite, Derbyshire Coalite Company, and Coalite Oils and Chemicals; Mr. Frank Clifford: Doncaster Coalite; and Mr. Dennis Korff and Mr. Roy Taylor, Coalite and Chemicals.

*

Mr. G. E. Liardet has been appointed chairman of the W. F. STANLEY GROUP following the acquisition by Sime Darby London. Mr. Liardet has also joined the Board of Sime Darby London. Managing director of W. F. Stanley is to be Mr. W. E. Mears while Mr. Gordon Dodds continues as general manager and director.

*

Mr. Ronald H. Fuller has been appointed a director of TENNANT TRADING, a member of the Consolidated Gold Fields Group.

*

Mr. R. W. Gardener has been appointed to the Board of MORICE TOZER AND BECK LIMITED.

*

Mr. W. L. Maxwell has been appointed to the Board of PETER MACARTHUR AND CO.

*

Mr. Alan Mackenzie and Mr. Ian Campion have been appointed to the Board of METALRAX (HOLDINGS). Mr. Derek Coombs joins the Board as a non-executive director.

*

Mr. Paul Rudder has joined the Board of RE-CHEM INTERNATIONAL, a member of the British Electric Traction Group.

*

Mr. B. E. Smith, who was previously secretary of the Ault and Wiborg Group, has become managing director of its subsidiary, ACALOR INTERNATIONAL.

*

Mr. Hugh Priestley and Mr. Charles Henderson have been appointed directors of LOWLAND INVESTMENT COMPANY.

*

Mr. Harry F. Brennan has been appointed director of sales for GRANGER ASSOCIATES in the U.K.

*

Mr. James Norris, a director of BROWN JENKINSON AND CO. (SHIPPING), is to retire on September 30.

*

Mr. Ernest Gleghorn has been appointed chairman of MURRAY SONS AND CO., Belfast, which is associated with Carreras Rothmans. He was previously managing director.

*

Mr. Peter W. Dyson has been appointed a director of EXCESS HOLDINGS.

*

Mr. H. G. High has been appointed a director of DAVENPORTS BREWERY (HOLDINGS) and its subsidiary, Davenports Brewery.

*

Mr. D. R. Lomer has been appointed by the CENTRAL ELECTRICITY GENERATING BOARD as director-general of the transmission development and construction division from December 1. He will succeed Mr. D. M. Cherry, who is retiring at the end of November.

*

Mr. George J. Mackenzie has been appointed chief executive and managing director of LITTON BUSINESS SYSTEMS, with responsibility for the general management of the Sweda International organisation within the U.K. and Eire.

*

Mr. A. J. Elbrick and Mr. N. A. H. Ball have joined the London office of MOSELEY HALLGARTEN AND ESTABROOK INC., members of the New York Stock Exchange.

*

Mr. H. H. W. Duffy, the Public Trustee, is retiring on medical advice on August 31 and will be succeeded by Mr. A. A. Creamer, who is at present an under secretary in the Civil Service Department.

*

Mr. G. R. G. Stewart is to become secretary of the INSTITUTE OF CHARTERED ACCOUNTANTS OF SCOTLAND on the retirement of Mr. Victor McDougall. Mr. Stewart joins the Institute on January 1 with a view to taking up the appointment as secretary on October 1, 1976.

CONTRACTS

Cementation awarded £5.4m. by-pass work in Somerset

CEMENTATION CONSTRUCTION, part of Trafalgar House Investments, has had its tender of £5,481,000 accepted by the Department of the Environment for a 4½-mile by-pass between Ilchester Mead and Camel Cross, Somerset. Work will start shortly and is scheduled for completion in 21 months.

*

LAND AND MARINE ENGINEERING, Bromborough, Merseyside, has received an order worth more than £500,000 to build a concrete safety barrier to protect a 10,000-tonne ammonia tank at the Shellstar fertiliser plant at Ince, Cheshire. Work will begin early in 1976.

*

DUST CONTROL EQUIPMENT Leicester (part of the Thomas Tilling Group), has been awarded a £160,000 contract by J. L. Stanley and Co., of Bromley, Kent, for dust control systems at the Wellcome Foundation's new tabletting facility at Dartford, Kent. The equipment will work in conjunction with the main air conditioning system and maintain a negative pressure in the manufacturing areas to prevent cross contamination of various pharmaceutical drugs, starches, sugars and toxic materials being processed.

*

SEAGUARD (CATHODIC PROTECTION) has received a contract worth about £110,000 from the Phillips-Petrofina exploration group, for the supply of anodes for the cathodic protection of submarine pipelines in the Edda and Eldfisk oil fields in the North Sea.

*

PYE BUSINESS COMMUNICATIONS has won a contract worth about £80,000 for equipment to be installed at the National Exhibition Centre near Birmingham. The Pye/Philips equipment, comprising 29 cameras and central monitoring unit, will be deployed around the seven halls forming the NEC complex to be officially opened in February 1976.

*

GEC-ELLIOTT PROCESS AUTOMATION has been awarded an order worth more than £60,000 by the British Railways Board for extensions to three of the existing supervisory systems in its Southern region. The digital address equipment being supplied will be the first electronic supervisory equipment installed in the region for this duty.

*

MYTON, a part of the Taylor Woodrow Group, has been awarded three contracts totalling more than £2m. for alterations, finishings and services to three British Home Stores shops, at Tunbridge Wells, Northampton and Nottingham.

*

GEC ELECTRICAL PROJECTS is to supply electrical line drive equipment for the British Steel Corporation's fifth hot dip galvanising line at its Shotton works. North more than £750,000, the equipment will be manufactured at GEC factories at Rugby, Kidsgrove, Warley and Bradford. The new line is due for installation in 1977.

*

BROOKES CONTRACTORS (HAVANT), Maidenhead, has been awarded four contracts totalling £870,000. These are for a £355,000 school for the London Borough of Ealing, £255,000 housing for the London Borough of Merton, £202,000 housing for the London Borough of Wandsworth, and a £58,000 gymnasium for Surrey County Council.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● NORTH SEA OIL

BOC sends off diving system

A NEW diving system for use on a North Sea construction barge was designed recently and built within seven weeks by one of BOC's submarine specialist groups, Offshore Systems, Great Yarmouth, Norfolk.

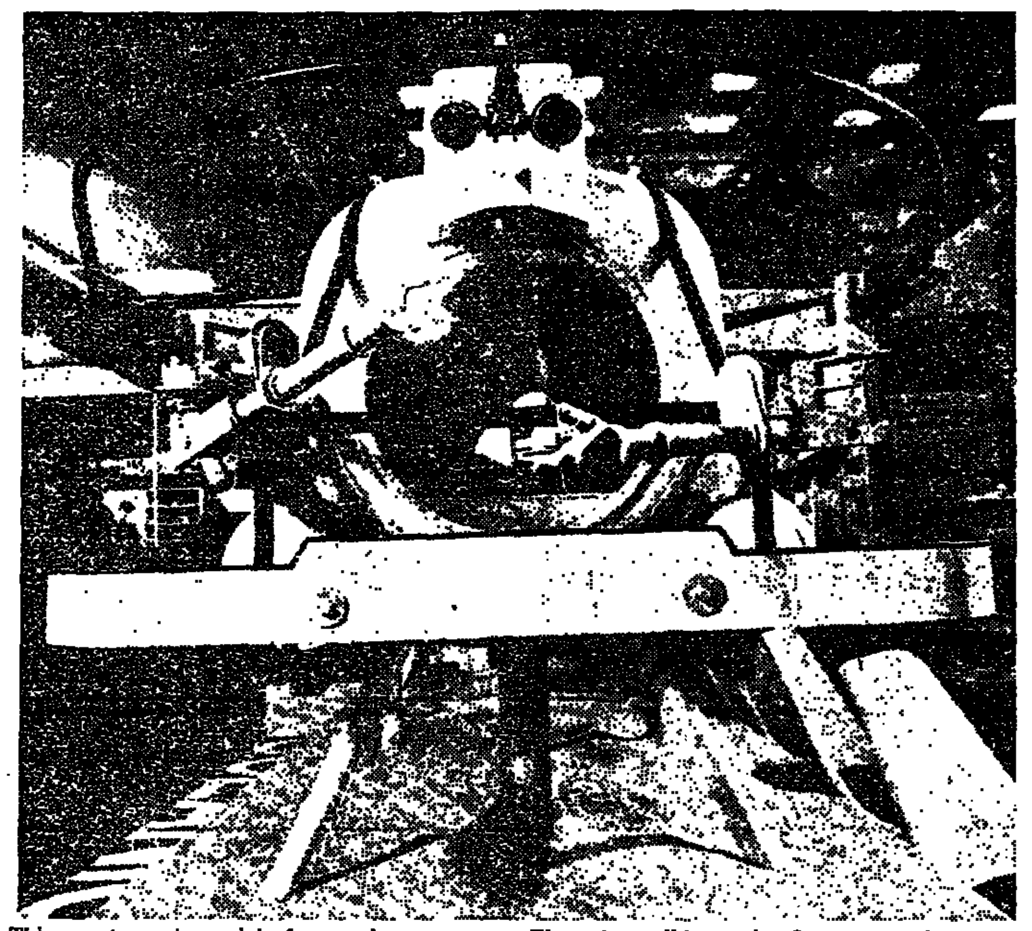
The system, built for Atlas Diving Company, Brussels, Belgium, is being operated by Ocean Technical Services, a British diving company.

A self-contained diving package, it includes a 3½-ton diving bell, decompression chamber, lifting frame and hoisting winch. The frame and winch operate hydraulically, powered by a diesel-driven power pack built into the diving system which, including the diving bell and decompression chamber, weighs more than 22 tons.

It was transported from Great Yarmouth to Holland aboard the supply vessel Gulf Fleet VII before being transferred to the construction barge.

Offshore Systems is a recently formed group within BOC's offshore and oil services technology involvement. The group has been established to develop and produce advanced submarine systems and equipment including diving systems.

BOC, Hammersmith House, London W6 9DX. (01-748 2020.)



This quarter-scale model of an underwater craft was built by Engineering Design and Models (Manchester) to help Vickers Oceanics demonstrate its latest type of diver lock-out work submersible—commonly known as a mini-sub—to the world undersea exploration market. Meanwhile, the full-size unit, known as VOL L1, has completed a number of operations, including the removal of a dry well-head in the North Sea which was posing a threat to trawling gear.

The submersible carries five men, and can operate to a depth of 1,200 feet. It is of modular construction, with power module, diver lock-out compartment, and front command module. Vickers Oceanics is currently examining alternative centre modules, such as a power unit to provide additional energy for underwater work, and a submarine rescue unit for use in conjunction with an underwater transfer system currently undergoing trials.

● CALCULATORS

Texas drops its prices

REDUCTIONS OF up to 27 per cent. have been made in the prices of six of the hand-held calculators made by Texas Instruments.

The most significant changes are at the extreme ends of the range: the SR51 comes down from £109.95 to £89.95, a drop of 18.3 per cent., while the simple consumer model TI-1200 reduces to £10.95 from £14.95 (26.8 per cent.). All prices include VAT.

The company states that the reductions "represent a continuation of TI's policy of passing on to the end user savings and reductions resulting from improved manufacturing methods and increased levels of production."

European Calculator Division, Texas Instruments, 165 Bath Road, Slough SL1 4AD (Slough 25544).

● SAFETY

Explosion proof pump

A RANGE of pumps has been introduced designed to conform with anticipated legislation on the installation of explosion proof pumps in sewage pumping stations, sewage works and in the oil chemical and related industries where hazard gases exist.

They are certified in accordance with BS4683 parts one and two, covering all hazard gases listed in group 11a.

Pumps in this range have similar performance characteristics to the Flygt CP/CS sewage pump range, and are compatible with existing installations. The electric motor is protected by thermal switches in the top of the stator windings which automatically stop the motor in the event of over heating due either to phase failure, overloading or a drop in the supply of voltage.

They are capable of dealing with sewage, viscose liquids, many industrial effluents and solids in suspension. Once installed, they will run unattended, being switched on or off through an electrical control system. A range of performance heads is available with capacities in excess of 400 litres/second.

ITT Flygt Pumps, Colwick, Nottingham NG4 2AN. (0602 241321).

● TEXTILES

Wool takes many new guises

SCIENTISTS at the IWS Technical Centre at Ilkley in Yorkshire who some time ago discovered that by treating wool fabrics, carpets and furnishing fabrics with titanium or zirconium salts, wool's resistance to flame was markedly increased, have saved lives throughout industry.

The processes are inexpensive, being between one-fifth and one-tenth the cost of the previously cheapest durable flame resist treatment available. The treatments are easily applied and wool is the only fibre on which they are effective.

The success of the development is illustrated by the fact that more than 50 companies in the U.K. are now issuing flame-proofed wool industrial clothing to their employees. The companies include some of the largest in the country embracing the automotive, steel, non-ferrous metals, welding, glass, brick, petrochemical and explosives industries. An estimated 150,000 garments treated with the IWS processes will be issued to industrial workers in the U.K. in the coming year.

Although the development is relatively new, there are already several documented cases where industrial safety officers have reported that the treated wool clothing has protected employees from both death and serious injury.

The flameproof development is permanent and not affected by washing or dry cleaning. Treated garments have been shown to withstand as many as 50 washings and 50 dry cleanings.

Apart from the protection aspect, flameproof treated wool garments offer many other advantages over conventional industrial clothing. They are hard wearing and offer double the life of some other types of clothing, while wool's well known aesthetic qualities, such as its softness and tailorability, offer greater comfort and smartness.

In addition to the flameproofing treatment the pure new wool industrial clothing can be treated to make it oil, water, petrol and corrosive chemicals repellent.

An important health aspect of IWS flame-resist pure new wool garments is that, because of the nature of the fibre a worker leaving a heat situation will not be subjected to an excess rate of cooling. This greatly reduces the chances of his catching a cold or influenza with the subsequent loss of time involved through sick leave.

A further advantage of treated wool garments in heat situations is that they will absorb moisture, such as sweat, which is then evaporated into the atmosphere. Because the wool fibre absorbs up to a third of its own weight before feeling damp, employee discomfort in intense heat is greatly reduced.

Five main types of wool protective cloth are commercially available or have been developed to the stage where they are ready for commercial exploitation: a flame-resistant wool gaberdine for general work conditions; a wool-glass blend for protection from flame; a heavy felted wool for prolonged exposure to intense heat; a wool-steel blend where high static control and/or electricity conducting capacity is required; and a single-jersey pile fabric for gloves and inner garments in clothing systems designed to combat cold.

Still under trial, it is thought the felted wool fabric could be particularly suitable for people who have to work in close proximity to fire. As effective as aluminised asbestos, which is now used, it has the advantage of being much more comfortable. Several organisations have expressed interest.

Two wool-steel blends have been developed. One, a blend of 80 per cent. wool and 20 per cent. stainless steel, is being evaluated by one of Britain's regional electricity generating boards. Tests by the IWS has shown that clothing made from the fabric can be used as a Faraday cage garment providing protection for people working close to high voltage electricity lines.

The other blend is a flame-resistant fabric of 97.5 per cent. wool and 2.5 per cent. stainless steel which is still being evaluated by the IWS. The addition of the small amount of steel renders the wool — naturally highly anti-static — virtually totally anti-static.

IWS technologists have developed pile fabrics of wool "fur" which have a special application as linings to underwater gear, providing a warmer, more moisture absorbent and more comfortable alternative to synthetic furs now widely used. Because wool can also be flame-resisted without losing its other qualities, it has the added advantage of safety. Machine-washability treatments can also be applied so that the garments are easy to care for.

One firm has shown interest in using a wool-steel blend in the inner suits of underwater gear, beneath an electric heating element.

IWS, Wool House, Carlton Gardens, London SW1Y 5AE. (01-930 7300.)

● HANDLING

Coils and decoils cables

CABLE DRUMS of up to 15 tons capacity can be coiled and decoiled on a machine developed by Walter Lawrence Engineering, Broomhills Industrial Estate, Rayne Road, Braintree, Essex (Braintree 2651), a member of the Walter Lawrence Group. Unlike similar machines, this equipment can be easily moved around the factory floor, says the company.

Drum sizes which can be accommodated vary from about 69 inch wide down to 30.5 inch, and 120 inch diameter to 47 inch. The feed stand comprises two vertically adjustable spindle boxes mounted on a track for width adjustment, moved by a lead screw coupled to the motor gear box.

Arm assemblies can be controlled from pendants on either side. The machine has air braking.

● COMMUNICATIONS

Discussions without travel

CONCLAVE is a system which could enable a group of people to hold a discussion even though they may not assemble at the same place or time and even if the participants never meet one another. They communicate by typing contributions to the discussion and messages to one another on a keyboard and viewing the contributions and messages on the screen of a visual display unit (VDU)

While these VDU's may be remote from one another they are all linked to a computer which provides the participants with some facilities which will partly compensate for the lack of face-to-face interaction which is a feature of traditional meetings and conferences.

A Conclave discussion, however, should not be thought of as merely a substitute for a face-to-face meeting which cannot be held for economic or other reasons. It is a different medium for human intercommunication with its own advantages and disadvantages. Conclave may be inappropriate for some discussions, the medium of choice for others.

In use it is largely self explanatory and the conventions and rules that an intending participant must learn are simple and consistent.

Display work

The heart of a Conclave discussion is the Proceedings record. This contains a numbered sequence of contributions to the discussion each of which consists of no more than 18 lines of text, allowing a contribution to be displayed, complete, on the screen of a standard VDU. Participants can compose contributions which eventually get added to the Proceedings record where they can be inspected at any time by any of the participants. Once a contribution reaches the Proceedings record it is part of the permanent history of the discussion and cannot be altered or removed.

Participants can also send private messages to each other which are not seen by the rest. If the recipient is actively taking part in the discussion he receives the message immediately on his VDU screen whatever he is doing. In any case it will be added to his Intray record which consists of a numbered list of such messages. Each participant has a private Intray record which cannot be seen by other participants.

A similar private record, the Sent record, keeps a copy of each contribution or private message composed by a participant for him to refer to at will.

Most of a participant's activity during a Conclave discussion will centre on the above three records but, in addition, there are a number of extra records that a participant may want to refer to from time to time.

The Ptlist lists the participants who are authorised to join the particular discussion and gives their full names as well as the initials that identify them during the discussion. The Status record shows which participants are currently active in the discussion. The Info record contains the terms of reference of the discussion, background information etc. The Help record contains information on how to use Conclave.

NPL staff involved, in a group largely inspired by Mark Dowson, believe the average time management in general would need to master procedure would be "an afternoon." The system solves many of the problems posed by the PO Confravision procedures.

It must be understood, however, that the system proposed is feasible now and should be used by the highest levels of management to reduce time and money wasted on travel and ensure complete security of communication and decision.

National Physical Laboratory, Information Systems Group, Teddington, Middlesex. (01-977 3222.)

CONTRACTS AND TENDERS

Building and Civil Engineering

More room at the inn

SYSTEM building techniques are being used by a Lancashire company to manufacture self-contained units for hoteliers requiring extra rooming facilities. These units, called Eurolodges, are seen by the company as the answer to a demand for pre-fabricated units capable of producing an adequate return on capital invested.

Each Eurolodge is 18 feet by 12 feet and the manufacturer, Foster Buildings, Lord's Fold, Rainford, St. Helens, Lancs. (Foster Rainford Group) is offering a package deal which relieves the customer of dealing with sub-contractors and local authorities.

Two single beds are contained in each "lodge" but the system can be modified to provide different room sizes and layouts if single rooms, or family accommodation are required.

Bedrooms have a fitted carpet, curtains, directional bed-head lights, dressing-table, mirror, wardrobe and power points, including a TV aerial socket. Each bathroom has a matching three-piece suite, with mixer shower tap and fittings, mirror light and shaving sockets.

Dividing walls between each "lodge" bedroom are of nine-inch concrete blockwork to deaden sound and in most developments there will be a central services area about 18 inches deep and eight inches wide, which will house the electrical distribution controls, hot-water cylinder, circulation pumps and cold-water tank.

An independent costing exercise is carried out on each Eurolodge development, and the more rooms in one contract, the lower the cost for each unit. Power and water services are tapped from existing supplies to a main building, but if this is not possible, a septic tank for drainage and Calor gas fuel supply can be introduced into the package deal.

Each Eurolodge is priced at around £3,500 and for any order less than six rooms the price increases.

£2½m. road scheme

REALIGNMENT and reconstruction of 5 km. of road, to a width of 7.2 metres, between the Tor-Na-Dee Hotel, Dunoon, and Innellan Pier on Argyll's Cowal peninsula is to be undertaken by Sir Robert McAlpine and Sons following the award of a £2½m. contract from Strathclyde Regional Council.

This road provides the only land route to the McAlpine oil production platform construction site at nearby Ardyne Point and is to remain open to traffic during the two years period of the roadworks and associated drainage scheme.

A concrete sea wall, 3.6 km. in length, is also to be built as part of the contract, the majority of its construction involving tidal working in the Firth of Clyde.

Jobs worth £6m. go to Wiltshiers

CONTRACTS won over the last six weeks by Wiltshiers total £6m.

Included in these contracts is a supermarket and office scheme being jointly developed by John Sainsbury and Hulburds (Sittingbourne) at Bell Road, Sittingbourne, Kent, at a cost of £965,000.

Contracts for seven schools have also been awarded, the largest of which is for a school at Broomfield, Essex for the Essex County Council, with a contract value of £881,500.

For the Brook Pentagon Scheme at Chatham, Kent, the Construction Division is to fit out a store for Boots. The Shopfitting Division is also undertaking fitting out contracts for four major national retailers there.

Continuous reinforced paving

CONCRETE paving on the M62 Balkholme-Caves contract, part of the M62 Lancashire-Yorkshire motorway, incorporates Britain's first lengths of continuously reinforced concrete carriageway, which carry the motorway over unfavourable ground at the eastern end of the contract.

The 540 metres of continuously reinforced concrete pavement on the eastbound carriageway were paved very recently by Sir Alfred McAlpine's three-lane slipform train; another 840m. on the westbound carriageway are due for slipforming around the beginning of September.

Continuously reinforced slabs have been extensively used in the U.S. and Belgium, but not previously in the U.K. on a major road contract. The principle is to promote hairline cracking at frequent intervals—1.5 to 2m.—with the relatively heavy longitudinal reinforcement restricting the cracks to a width which will maintain aggregate-interlock load transfer and will not require sealing.

The resulting increased flexibility of the slab is expected to cope with the anticipated longitudinal and lateral settlements on poor subsoil, better than more familiar forms of construction.

The Balkholme-Caves contract, 10.3 kilometres in length, is the easternmost section of the M62 Trans-Pennine motorway linking Liverpool and Hull. There are ten major structures on the contract, including crossings of the main Selby-to-Hull railway and the Market Weighton Canal and the associated side road works have involved the construction of an additional 7.6 kilometres of single carriageways to various standards.

Pipes for Scotland

ABOUT £300,000 worth of ductile iron pipe and fittings for use in its new coastal trunk main has been ordered from Clay Cross (Iron and Foundries) by the Department of Water Services, Grampian Region, Scotland.

This is the third contract to be won by Clay Cross in connection with this scheme and brings the value of ductile iron pipes supplied by this company for the scheme to over £686,000.

Designed to augment existing water supplies to the coastal villages and towns between Turriff and Elgin, the new main will extend 30 miles.

Hong Kong metro is on the move

DEVELOPMENT and testing of the ventilation system for the Hong Kong Mass Transit System (underground railway) has been completed at the Cranfield, Bedford, laboratories of the British Hydromechanics Research Association (BHRA).

Following initial design by the electrical and mechanical consulting engineers for the project, Kennedy and Donkin, BHRA undertook a two-year study under contract to the consultants.

BHRA found that an air curtain could be combined with a modified jet pump to produce the required ventilating flow in the running tunnel, eliminating the need for fans in the vent shafts, even under the most arduous conditions. The same air curtain could also be used to separate the unconditioned air in the tunnel from the air-conditioned stations.

Using this dual-purpose system, the energy needed for satisfactory ventilation in the running tunnel was at least 50 per cent. less than that required using conventional methods, and the use of air-conditioning for the stations became economically feasible.

Tests have been carried out to adapt equipment components to practical conditions and civil engineering constraints. The work is part of the total environmental control system.

It is understood that tender documents for various parts of the whole project, which has a ceiling price of HK$5bn., are now being followed up.

Portable sandblaster range

INTENDED FOR outdoor operation, a range of portable pressure feed sandblast units have been introduced by Euroblast, Snaygill Industrial Estate, Keighley Road, Skipton, North Yorks., BD23 1LA (0756 5641).

All five are capable of using aluminium oxide, iron, steel grits, shot or sand. The only criterion is that for any medium used, the particles should not exceed ¼ of the bore size of the nozzle.

Capacities are from 150 lb to 1,000 lb, and the range can be fitted with a pop-up valve for fast recharging. Some models are available with a "deadman" control at the nozzle for situations where the operator is a long distance from the unit.

Scaffolding saved by lift

SCISSOR HOISTS and telescopic booms, both activating powered lifts, made by Selma, part of the Chamberlain Manufacturing Corporation of California, are being marketed in the U.K. by Tasker and Booth, 845a Harrow Road, Wembley, Middx., HA0 2NY (01-904 0955).

The company is the scaffolding division of Wyseplant, and a subsidiary of Bovis. Acquisition of the distribution rights was stimulated when Bovis Construction found a mechanical hoist was able to replace up to 40 scaffolding towers and cut working time by a third on a warehouse project.

Known as Hy-Ryders, each model is controlled from the working platform. Heights are up to 42 feet for scissor man-lifts and 53 feet for telescopic booms. Lift capacities range up to 2000 lb.

A lift for the home

A COMPACT lift for use in the home is being made by Hammond and Champness, 159 St. John Street, London EC1V 4JQ (01-253 4818).

Called the Homelift/36, it can be installed in about 48 hours and normally needs no shaft, pit, nor enclosure on the ground floor. It requires only two guide rails mounted on a convenient wall and a small enclosure above the lift on the upper floor to contain the hoist.

The lift can be parked on the upper floor, leaving the ground-floor space free. The car features flush mounted controls, handrails and roof panel lighting. Internal measurements are 2 feet 11 inches wide, 2 feet 9 inches deep and 6 feet 1½ inches high, with a carrying capacity of 350 lb—equivalent to two adults.

Powered from the domestic mains, a ¾ hp motor drives the chain hoist. The chain has a 10 : 1 safety factor, and there are safety cam clamps on the guide rails. Price is about £2,000. A bigger version is available.

IN BRIEF

- An order worth over £1m. has been received by Consolidated Pneumatic Tool Company for the supply of portable air compressors to Iran. They will be used on major construction projects.
- A contract worth £769,000 has been placed with Walter Lawrence and Son to build the new divisional police headquarters for the Southend Western Division at Rayleigh, Essex.

To study English earthquakes

KEELE UNIVERSITY'S Department of Geology and the Global Seismology Unit of the Institute of Geological Sciences, Edinburgh, are attempting to establish an immediate skeleton seismological scanning network with radio linkage, to study the areas effected by the recent series of earth tremors in the Stoke-on-Trent area.

The skelton network is being set up in an attempt to discover new information before the next meeting of the working party investigating the tremors, to be held on August 18 at the University of Keele, under the chairmansrip of Mr. E. J. Raine, H.M. Senior District Inspector of Mines and Quarries, West Midlands and North Western District.

Possible recording sites are currently being examined by members of the Keele Geology Department in the Wolstanton, Barlaston and Trent Vale areas and one station is to be established at the University.

The planning of a more extensive seismological scanning network to be set up jointly by Keele University's Department of Geology and the National Coal Board and involving the Global Seismology Unit at Edinburgh, will be one of the high priorities for the working party at its meeting next Monday.

Members of all three bodies will be attending the meeting, together with representatives of the Stoke Environmental Services Department.

Australian transport systems

The Economic Studies Group, recently formed by Rendel Palmer and Tritton, has been commissioned to undertake two tasks in association with Rendel and Partners in Australia.

The Department of Urban and Regional Development of the Australian Government, in consortium with Urban Group of Melbourne, has appointed it to carry out a review of the impact of large modern port developments on urban land use patterns and the quality of urban life. The work will cover recently completed as well as current port developments in the major maritime cities of Australia, and investigate their influence on urban transport systems, land development, industrial location and environmental issues.

For the Department of Transport of the Papua New Guinea Government Rendel and Partners are to investigate the common infrastructure investments that will be required to exploit the extensive deposits of copper ore in the country's most inaccessible Victor Emmanuel mountain range.

Any link to either the north or south coasts will involve several hundred miles of mountain terrain and river transport.

The RPT Economic Studies Group is already retained by the Australian Government on a study of private urban bus operations, and by the Papua New Guinea Government on the establishment of a national shipping line.

Gas plant contract

THE MAIN building complex for a gas handling plant at Hornsea, Humberside, is to be constructed by A. Monk and Co. under a £964,000 contract from British Gas Corporation.

The contract calls for three single-storey buildings, sundry small buildings, and external works in the form of roads, cable trenches, transformer compounds, bunds and foundations for tanks, and drainage.

Architect for the project is Architects Design Group and quantity surveyor is MDA Construction Consultants.

Another job for Monk involves the advance earthworks for the Tadcaster by-pass, on the A64 Leeds-York trunk road, under a £423,000 contract placed by the Department of the Environment.

Monk will construct a length of road embankment from Cock Bridge, A162, on the western bank of the River Wharfe, to a point approximately 100 metres east of the River Wharfe.

£2m. awards to Myton

MYTON, a member of the Taylor Woodrow Group, has been awarded three contracts worth over £2m. for alterations, finishings and services to three stores for British Home Stores at Tunbridge Wells, Northampton and Nottingham.

At Tunbridge Wells the work involves conversion of a restaurant into a sales floor; at Northampton internal walls, finishings and services will be provided for an extension to an existing store, and at Nottingham the work will include erection of internal walls and finishings, including services and shop fronts to complete new store premises.

Beecroft Bidmead and Partners are architects for the Northampton contract, and the Nottingham and Tunbridge Wells contracts are being carried out by British Home Stores Architectural Department. Quantity surveyors are L. A. Francis and Sons, for Northampton and Nottingham, and W. H. Hutchinson, for Tunbridge Wells.

£3m. homes awards

J. E LESSER (Buildings) has won a contract worth about £3m. from the District of the Wrekin, for 259 housing units on estates to be built at Ketley and at Dawley, Salop.

The larger of the two estates, at Langley Farm, Dawley, will have 180 units. A feature will be a grouped dwelling scheme for the elderly, with a community centre and 28 bungalows which will be linked to a warden's flat by a sophisticated talk-back system. The remaining units will be 60 two-bedroom and 91 three-bedroom houses.

Overdale Estate, Ketley, will consist of 79 units. There will be 16 one-bedroom flats and 56 houses, 16 of which will be two-bedroom, and 40 three-bedroom. Seven bungalows for the elderly complete the estate.

THE FINANCIAL TIMES
(Established 1888)
Incorporating THE FINANCIAL NEWS
(Established 1884)
Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY.
Telephone Day & Night: 01-248 8000. Telegrams: Finantimo, London
Telex: 886341/2, 883897

MONDAY, AUGUST 18, 1975

A new world order

THE DIALOGUE between the producers and consumers of energy and the developing countries, which proved so fruitless when it opened in Paris in April, now seems likely to be resumed in October. Before that there will be a series of international meetings—within the Commonwealth *and the group of non-aligned* nations, at the IMF and the UN—all concerned with essentially the same subject: how to give a better deal to the third world producers of raw materials, and especially the poorest of them, without creating such new burdens for the industrialised countries as to threaten economic growth while at the same time exacerbating inflation.

Oil price

Only a few days before the resumption of the dialogue, there will be a meeting of OPEC in Vienna. This is widely expected to approve another increase in oil prices, though the size of the increase is still far from certain. The general view among industrialised *countries is that any increase* will be damaging, but that having been talked about for so many months by OPEC members, some increase is unavoidable. Its size will be a test of how much progress has been made towards co-operation between producers and consumers, and also of relations between the oil-producing members of the third world and the rest—for it is the non-oil developing countries who have been the *chief victims of the rise in oil* prices in the past two years.

The industrialised countries face the dialogue, as they always did, from a position of partly self-imposed weakness. They are not notably united. They agreed to the dialogue because the oil producers have a stranglehold over the price and supply of a commodity which is essential to the survival of the present western system. In the short term, the OPEC countries *have no such incentive for co*-operation: all too clearly their own essential supplies of capital goods and services are not threatened because the industrialised countries have been falling over backwards to compete with each other to provide them. Indeed, as a result, some import prices of the oil producers may actually have fallen since the last oil price rise. Hence it is not surprising that the unity of OPEC has remained intact.

In the longer term, however, the effects on the oil producers of continuing recession and inflation in the industrialised countries could be severe. Unemployment and inflation could destroy the very system to which, essentially, the third world is aspiring. The effects on the non-oil developing countries would be even worse and more immediate. Such dangers form the best argument why the next round in oil price increases should be kept modest, but in practice it is unlikely to be enough to convince the oil producers, many of whom, with *considerable third world sup*port, are demanding no less than a new international economic order.

Priority

Mr. Harold Wilson went a long way towards accepting this when he launched his commodities initiative at the Commonwealth Prime Ministers' Conference in the spring and indeed the statistics on the present distribution of the *world's wealth are so striking* as to provide an overwhelming case. An effort to redress the balance in favour of the developing countries should be made a priority. It will be the main theme of the various international sessions in the next few weeks and then of the consumer-producer dialogue. Yet it will still require a great deal of prior consultation among the industrialised countries. Mr. Wilson's *initiative as it has come back* to him, for example, in the form of a report of experts to Commonwealth Governments has turned into a document which promises everything but in which nothing has been costed. It takes no account of international inflation and con*fuses a moral desire to give aid* with efforts to find out what can practically be done. It is doubtful whether the report will be acceptable to other *industrialised countries*, but meanwhile they have very little time in which to produce a more practical and united approach.

Keeping workers in their jobs

THE Government's new Temporary Employment Subsidy, which comes into operation to-day, may turn out to be a useful palliative in a small num*ber of cases, but it should not* be allowed to raise any false hopes that a real solution to the problem of mounting unemployment has been found. The latest *figures, due to be published on* Thursday, can hardly be expected to show any reversal of the known upward trend: the only question is whether unemployment is growing more rapidly or more slowly than it was at the beginning of the summer. The most likely answer is that the rate of increase of unemployment is accelerating. It is natural that this should be accompanied by an increase in the volume of *expressions of concern* by the trade unions and those workers who fear that their turn may be next.

In practice

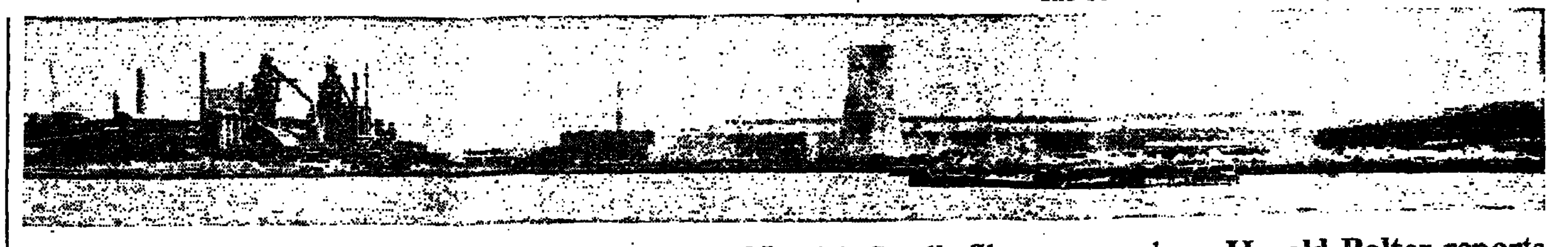
It was in anticipation of this grim situation that the Trades Union Congress suggested some *time ago that instead of spend*ing money on unemployment benefit the Government should pay to keep people in work. The idea seemed logical enough: £X spent on sustaining someone out of work would be better and more productively spent on keeping that same person in employment. In practice, what the Government is doing is not quite so neat as that: the £10 to be paid for keeping each pro*spective redundant worker in his* or her job is considerably less than many unemployed workers receive in benefit, social security payments, tax rebates and the like. The Secretary for Employment, Mr. Michael Foot, has estimated that if a quarter of the companies eligible under the new rules apply for and receive the subsidy between 30,000 and 40,000 workers might benefit, at a gross cost to the taxpayer of between £8m. and £9m.

The net cost could be very much less, and there could even be a notional "profit" in the arrangement, if all possible payments to the affected workers are taken into account. But—and here is where the catch lies—*the gross cost becomes the full* cost if the employees are kept in subsidised work for a short while and then declared redundant after all.

This is no doubt why the civil-service-designed rules for eligibility for the subsidy are so carefully circumscribed. Participation is voluntary; companies must decide for themselves whether they would benefit. Only those firms that would otherwise have dismissed *50 or more workers can qualify.* They must apply jointly with the relevant trade unions, and they must seem solvent. It is also stipulated that there must *be a reasonable chance of keep*ing the workers in employment while the subsidy lasts; beyond that the idea is that they will be kept on or redeployed effectively somewhere else when it ends.

Turned down

The number of cases in which this might be a practical scheme is unknown, but it cannot be very large. Pilkington was asked by the General and Municipal Workers Union to make a joint application for the Temporary Employment Subsidy to prevent closure of the company's TV tube plant at St. Helens. Pilkington's reply was that wages represented only 36 per cent. of the company's costs and *that the subsidy would pay for* less than a fifth of that wage bill. The scheme was turned down. It would best be turned down in other cases in which a company's troubles seemed long lasting: the only economic justification for applying is where it appears worthwhile to *maintain a certain level* of manning to meet the upturn, whenever it comes. It is perhaps because of these doubts that the whole scheme is not expected to last for more than a year.



The Government has soon to decide the future of British Steel's Shotton works. **Harold Bolter reports**

The steel works that is a 'politician's nightmare'

THIS autumn the Government will be forced to *make up its mind about the* future of steelmaking at the British Steel Corporation's Shotton works, on the Deeside borders of North Wales, where 6,500 workers face the possibility of redundancy in 1980-81. It will be impossible for Lord Beswick, the Minister for Industry, who has been studying the plant closure plans associated with the BSC's £4.5bn. development strategy, to duck the issue for a third time, despite the *obvious temptation to do so.* Shotton draws together all of the features which make the decision a politician's nightmare. On the one hand the Corporation refuses to budge from its argument that obsolescent equipment at Shotton must be shut down if modernisation and expansion elsewhere is to make sense. On the other, the Corporation accepts that the employment vacuum created there would be extremely difficult, *perhaps impossible*, to fill, even with a highly intensive marketing drive aimed at attracting new industry into the area over the next five years.

One-industry town

To visit Shotton is to begin to understand the nature of Lord Beswick's dilemma. With the steelworks dominating a mainly rural skyline, this is still very much a one-industry town. The community which has developed on this part of Deeside is there almost solely because John Summers and his son, Henry Hall Summers, started a steelworks on low-lying marshland bordering the *Dee at the turn of the century.* Before that there were only a few cottages.

The Summers' family choice of Shotton as the site for a steelworks made a lot of sense at the time and, according to the members of the Shotton steelworkers' action committee and the Clwyd County Council, it could still make sense now, given a relatively small injection of capital. It is within easy reach of the ports of Liverpool *and Birkenhead, enabling it to* receive relatively large shipments of imported iron ore and, until the nationalisation of the coal industry at the end of the last war, it had its own coalmine to supply coking coal. Although it is not on the east coast, now favoured by the BSC because of its ready access to *European markets, it is well* placed to serve the big industrial markets of the North West of England.

Shotton will remain an important steel finishing (as opposed to steelmaking) centre in any event. But why should the Steel Corporation want to close down part of a works which has an excellent labour relations record, with no significant disputes in its 80 years' history, a skilled and loyal labour force, and a previous record of worthwhile profitability?

The Shotton closure saga began when the BSC produced its 10-year development strategy in *1973, itself something of a com*promise. The late Lord Melchett, then Chairman of the Corporation, and Sir Monty Finniston, then Chief Executive and now Chairman, wanted to move as quickly as possible to the concept of large new coastal steelworks on the Japanese pattern, taking crude steel capacity in the U.K. up from a nominal 28m. tonnes in 1971 to 35m. tonnes by 1975 and 43m. tonnes by 1980. This would have *cost £4bn. at 1971 prices and*, looking at the depressed state of the world steel market now, it would have been wholly disastrous.

A more cautious Conservative Government, wary of the BSC's estimates of likely demand and its ability to finance such a programme, settled for a plan costing £3bn. at 1973 prices which would take installed capacity up to 33-35m. tonnes a year by the late 1970s and to 36m.-38m. *tonnes during the first half of* 1980.

The essence of this compromise plan, which still looked pretty ambitious, was that bulk steel production would be concentrated on the Corporation's five existing major steelmaking plants at Port Talbot, Llanwern, Scunthorpe, Lackenby, and Ravenscraig and on a new steel complex on the south bank of the Tees at Redcar.

The alternative to this *strategy*, as the Government admitted in its February 1973 White Paper, was that smaller works should be redeveloped so as to attain the same total capa*city with less concentration.* The Government decided that this would not be in the interests of the industry as a whole, including those employed in it, as it would mean foregoing the economies of large-scale production and the advantages of large modern plant on coastal sites. *It was probably right.*

The Shotton controversy centres on the future production of steel coil (above). The BSC management wants it to be produced at Port Talbot and then finished at Shotton, while the employees there believe that it should continue to be made by them.

But what this meant was that the BSC would end steel production at its older works, particularly those inland, which used the out-dated open hearth steelmaking process rather than the Basic Oxygen Steelmaking (BOS) technique. This, too, made sense as a basic oxygen converter can produce 300 tonnes of steel in 40 minutes, while an open hearth furnace is ten times slower.

This is where Shotton comes in. BSC, with the Government's approval, decided that it must close open-hearth steelmaking at Shotton, together with associated iron making and the hot strip mill there, during the second half of the decade, with the loss of 6,500 jobs. Its argument was that replacement by *modern plant on an economic* scale would save only some of the jobs of those employed at the time. It also convinced the then Government that the cost of modernisation would be over £200m. and that Shotton's production costs would still not match those of extra capacity at Port Talbot.

Circumstances changed

The matter rested there until the present Government took office, committed by its Election *promises to a review of all the* plant closures associated with the BSC's development strategy. In further justification of the review it could also be argued *that the oil crisis*, affecting world economies, had changed the circumstances in which the previous Government had approved the Corporation's expansion plans and the employment background on which that approval had been based.

Lord Beswick has now produced the main conclusions of that review and, as far as the Shotton workers are concerned, his two reports have made encouraging reading. First, he *decided that the BSC's major* plant closure programme in England and Wales should be slowed down, with a jobs reprieve for 14,300 workers out of the 21,200 facing redundancy. The threatened jobs have been safeguarded for between two and four years and there can be no certainty that all of the closures will then occur. Secondly, only last week Lord Beswick decided that the Corporation's plant closure plans *for Scotland should be limited* to a net job loss of about 2,100. Three years ago the BSC was talking about redundancies running at a level of 6,500 to 7,000 in Scotland. In both announcements, however, the question of Shotton was postponed.

The Shotton action committee has not been slow to point out that the total number of jobs originally under threat in Scotland, 6,500 plus, is precisely the same as the number still in jeopardy on Deeside, even *though Lord Beswick did* set back the original period laid down for the phased closure of Shotton from 1976-78 to 1980-81.

The Shotton workers, together with the Clwyd County Council, have produced a formidable case for the retention of steelmaking at Shotton, based on commercial *as well as social grounds.* Even the BSC management must admire the way this case has been prepared and presented, although it questions the assumptions which have been made.

As far as the economics of steelmaking are concerned, the workers' *representatives* have taken the Corporation's management to task on its fundamental justification for ending steel production at Shotton—that is, the argument that if Shotton does not stop making steel the new plant at Port Talbot, in South Wales, which is to be expanded from an output capacity of 2.8m. tonnes to 6m. tonnes, would not be fully loaded.

What the BSC wants to do is to supply the Shotton steel finishing complex, situated in the North of Wales, with hot rolled coil produced at Port Talbot, situated in the South, moving the material by rail. The steel finishing end of the Shotton operation, employing 6,000 now, would be expanded, saving 500 of the 6,500 steel production jobs under threat.

According to the Shotton workers there is no commercial logic in this plan. In its place they have suggested to Lord Beswick that for the relatively modest expenditure of £130m. (compared with the £4.5bn. cost of the BSC's overall develop*ment strategy*) the capacity of Shotton could be modernised and increased to 2.05bn. tonnes of steel, and could produce this steel £5 a tonne more cheaply than the delivered cost of steel from Port Talbot. When the cost of closing down Shotton (some £102m.) is taken into *account, they claim, the true* cost to the nation of improvements at Shotton would be less than £30m. This alternative plan from the workers would involve a reduction of 2,000 in the Shotton labour force rather than 6,500.

They have other commercial arguments, too. For example, they claim that the BSC management ignored the potential of the Morpeth docks on Merseyside, some 17 miles from Shotton, when it decided where to place new works. These docks could be developed, at no extra cost to the Corporation, to accommodate ore carriers of up to 100,000 tonnes. Ravenscraig in Scotland, they *have pointed* out, is 40 miles from the Hunterston ore terminal, Llanwern in South Wales is 40 miles from the Port Talbot terminal, and Scunthorpe is 20 miles from Immingham.

In fact, however, Lord Beswick is likely to make up his *mind about Shotton on the basis* of the social arguments which have been set out for retaining steel production there.

Leading role

In the words of Mr. T. M. Haydn Rees, Chief Executive of the Clwyd County Council, who has played a leading role in the Shotton campaign, Deeside has an extremely brittle economy. Of the 30,032 male insured population in the area some 9,600 work for the BSC (32 per cent. of the total), 2,200 work in the aircraft industry (7.5 per cent.) and 4,500 in textiles (15 per cent.). The north west has already suffered from the *collapse of the textile industry*, from which 44,000 jobs have disappeared since the end of 1973, and there is no confidence locally in its prospects.

Mr. Haydn Rees argues that apart from the 6,500 direct redundancies planned by the BSC for Shotton, at least another 1,000 people employed by local contractors would be thrown out of work.

The opportunity for attracting new industry into the area does not look very impressive. Indeed it could be argued that Shotton's closure, which would make special development area status essential, would do tremendous damage to the job prospects of the adjoining county of Gwynedd and Merseyside. The three areas would *then be competing for new in*dustry. Although Lord Beswick has been criticised for delaying a final decision on the future of Shotton, it is easy to see why he is taking his time. He is faced with an unenviable choice.

MEN AND MATTERS

New leaves for Christy, Abbott

"The basic policy of Christy is to revert to its original state," says *Michael* Craufurd Abbott, new chairman of the group making animal process plant and electrical equipment like control panels and switchgear. Like Christy Bros., Abbott is also returning to a former role. The recent past has been kind *to neither and the new combina*tion needs to work well: Christy was making slim profits of £27,000 for the past six months, to September 1974, for which figures have been produced; there have been large write-offs; and the shares have been suspended for over a year.

Abbott, 48, is a former management consultant, specialising in engineering. He was chief *executive of the Inbucon Group* until he decided to be a property man in 1971. His company, Abbden, began developing residential sites in Kent, and in 1972 was sold to Dover Engineering. Abbott picked up some shares in Dover, bought some more, and became Dover's *chairman* (engineering had been his speciality as a consultant).

Grafting property on to an old *company known for* its Elkington Gatic manhole covers did Dover no good. With profits varying between £55,000 and £131,000 in the four previous years, 1974 produced a loss of £330,000 with write-downs, so far, of £650,000 against the property side. Abbott apologised to *shareholders, then sold his* shares to Thomas Poole and Gladstone, so that another former Inbucon associate, Alan Bartlett, chairman of TPG, Newman Industries etc., became Dover's boss as well.

The Dover stake is one of those which has now, amid some controversy, been sold to Newman Industries. Another thing sold to Newman is the benefit of a £30,000 personal loan Abbott received from Thomas Poole and Gladstone.

All that, Abbott insists, is behind him and Bartlett's group has nothing to do with his move into Christy. But Christy does have its own cross to bear for a different sort of financial wizardry which went wrong.

The company is run by brothers David and Malcolm Burne, ex-financial journalists who, with backing from the now bankrupt motor accessories chief Dennis Blake, turned to investment management. Through their Burne Investment Management, they bought control of Christy, joined its board and decided that Christy should buy Burne Investment *Management. Grafting* "investment banking, financial advice, investment management and personal financial services" onto process plant and electrical equipment has proved as unsuccessful as Dover's diversification was.

The results to March 1974 showed an exceptional item—the loss in BIM wiping out £157,000 of Christy's £202,000 profits. At the half-year, another £123,000 had *come off* net tangible assets because of BIM.

A proposed bid from Winn Industries for both Christy and another Burne-controlled, suspended quotation company, Webb-Nash, has fallen through. Abbott says the Burnes are ready to relinquish executive control of Christy to him. The plan, he says, is to divest BIM from Christy. Whether this helps to restore the Stock Exchange quotation will not be known until after Christy produces some more results.

Tons more

Ship operators in most parts of the world have not been notable for their boundless contributions to national exchequers, but the situation in Greece has taken a remarkable turn for the taxman. Under regulations drawn up by the late military regime in 1968, annual fleet dues raised *a mere $1.25m. in 1974.* The actual scale per ton was in the ten to 40 cent range, with a huge number of exemptions allowed.

The Karamanlis Government took energetically to the task of increasing the contributions. Negotiations with the Union of Greek Shipowners produced agreement for a bill which makes all Greek-owned merchant vessels subject to a new tonnage tax in the 40 cent to $1.20 range, *with fewer exemptions.*

That has so far raised $17.5m. for 1975, and the eventual figure is expected to be $20.5m. Not only that, but Greek-owned foreign flag ships will bring extra cash to Greece by way of "special contributions"—perhaps another $19m.—to the Greek seamens' pension *fund.* Nice to see such chumminess in the post-Colonels era.

BPC's Swire deal

In Japan, "one does not go lightly into door-to-door selling," declares Monty Alfred, a British Printing Corporation director. The system of personal addresses there is nowhere near as simple as in Britain, so that old "direct selling" cliché has a rather different meaning, the telephone being a more important instrument.

Nevertheless, Alfred claims that Japan has proved a remarkable success for BPC in the shape of its local International Learning Systems Corporation (Japan) subsidiary. Long gone *are the days when ILSC was* jointly owned with Robert Maxwell's Pergamon Press (BPC took financial control of the whole of ILSC in 1970) and when the Japanese company did almost nothing but sell English language encylopaedias for a living.

Encyclopaedias, says Alfred, are down to 5 per cent. of ILSC (Japan) sales, the bulk being taken now by taped English courses, priced about £240 the set, and selling at the rate of 500 a week. These have been prepared by the reliable old BBC through its cumbersomely-named English by Radio and Television Department. ILSC (Japan) pays a royalty for each tape to the BBC, and customers enter into a 24-month contract. *The scrupulous Japanese tend* to complete payment in an average of 20 months, whereas most such agreements elsewhere stretch out over 28 in practice.

ILSC (Japan) showed an operating profit for 1973-74 of £375,000, but further expansion will take cash, so BPC is taking into 35 per cent. partnership — for £2m., which includes £650,000 goodwill — the Swire group, the Hong Kong-based *trader ranking in influence with* Jardine Matheson. Swire will chip in with stake-related expenditure to provide what BPC calls "important strategic strength."

Red band

Richard Marsh of British Rail thinks the collective noun for *the group of major State in*dustry chiefs which now meets regularly should be a "deficit of chairmen."

Observer

Revival time in a changing Euromarket

BY MARY CAMPBELL

ALTHOUGH August is traditionally a very quiet month in the international financial markets, even the hot weather has not been enough to drive bankers to the beaches this year.

The largest single loan for over a year was signed recently ($500m. for Iraq), while one on the Eurobond market, an issue for New Zealand has been doubled to $100m.

The revival in the Euromarkets, which gathered way slowly early in the year and has been accelerating fast since the spring, was highlighted by the publication last week of the World Bank's latest statistics *on new medium-term bank* lending. The Bank's figures—which cover only publicised loans and are therefore by no means complete—show that the volume of new medium-term loans increased by over 70 per cent. between the first and second quarters of this year: from $2.9bn. to $4.9bn. It will certainly be higher still in the third quarter.

Figures for international bond issues tell the same story. *In the first seven months of* this year, new issues ran at nearly three times last year's levels: they amounted to $10.2bn., compared with $3.4bn.

The revival in both these two major areas of the Euromarket *has* therefore been marked. However, there have been significant changes in the terms on which borrowing can be arranged. Maturities in both the bond market (where interest rates are fixed) and in commercial banks' lending (where interest rates float according to general trends) are down substantially.

At the same time, the charges which banks are making for extending loans have increased.

Moreover, although the revival provides a conclusive answer to last year's Euromarket Jeremiahs, and although confidence has returned to a degree which even the optimists scarcely dared to hope last *summer, the future expansion* of the Euromarket is still subject to doubts. One reason is the extent to which new loans negotiated will in effect be used to refinance old loans rather than being, as has been the case in the past, an absolute increase in funds available for new investment.

Cyclical

The revival in the Eurobond market, as in bond markets elsewhere, started last autumn as the expectation of recession began to cut short term interest rates.

The Eurobond market has always tended to be cyclical with big new issue volumes being recorded in low interest rate periods, and vice versa. This has not been a feature of the medium-term lending market (though the market is relatively new and it is perhaps therefore too early to draw final conclusions about whether changes are cyclical or not). In a sense therefore the collapse of the medium term lending sector in the latter *half of last year* was more serious than that of the bond market since no one could be quite sure of ultimate revival.

Moreover, because the reasons for collapse were rather indefinable, the revival is by no means easy to explain either. It may perhaps be attributed to the fact that various developments which were seen as potentially fatal threats to the viability of medium-term international bank lending have proved short-lived.

These included the fear of general international bankruptcy as a result of the oil price rises, the fear that the foreign exchange losses by banks would prove much more widespread and much more damaging than *was in fact the case, the fear* that banks' capital ratios might be permanently over-drained and that loan losses would be higher.

The elimination of these last two fears was especially important in the timing of the revival. Medium-term lending began to pick up noticeably very early this year, after the end-year accounting period had provided the banks with an opportunity for a thorough overall assessment of their situations.

In the bond sector, the main changes since the revival are twofold. First, the maturities which investors are prepared to accept have shortened from the traditional 15 years; second the market has diversified out of London and out of dollars.

The shortening of maturities may be attributed to general uncertainty about the future of particular currencies and of interest rates; to inflation, which has made investors more unwilling to commit their money anywhere for any length of time; and to the growing importance of the Middle East as a source of investment funds. Middle Eastern aversion to long-term commitments has now become almost proverbial.

At all events, this year's experience has shown that five years is effectively a cut-off point. Almost anything can be sold if the maturity is five years or less; six and seven years are possible but not popular; and anything beyond that is virtually out of the question. The one exception to this is the New York international bond market. Though a shortening of maturities has been evident even there, 15 year issues have been sold.

The most dramatic sign of diversification out of London has been the rapid increase in *the proportion of new foreign* issues being arranged in New York.

THE MARKET REVIVAL

		Bank lending medium term* ($m. or equivalent)	International bond issues†
1972		n.a.	9,756
1973		22,023	7,779
1974		27,285	6,501
1974	(i)	6,858	1,392
	(ii)	12,370	1,416
	(iii)	4,491	1,104
	(iv)	3,566	2,269
1975	(i)	2,886	3,632
	(ii)	4,928	4,462

** Lending for one year or more. Figures cover only publicised loans and therefore are understated.*
† Source: Morgan Guaranty. Some figures are subject to revision.

However, the figures tell the tale. According to Morgan Guaranty, issues in the U.S. accounted for 14 per cent. of total international issues in 1972, 13 per cent. in 1973 and, after the controls had been removed, over 50 per cent. last year.

So far this year, with the notable revival of the European sectors of the markets (especially in D-mark financing), the New York market has accounted for about a third of total new issue volume.

The big expansion of the D-mark sector of the market is the main example of currency diversification. In 1972 dollar-denominated issues (mostly arranged in Europe) accounted for 54 per cent. of total new issues. D-marks accounted for under 17 per cent. So far this year, despite the removal of the U.S. controls and substantial activity in New York, the dollar's market share has been under 50 per cent. while that of the D-mark has been 27 per cent.

*In addition to the London-*New York shift and to the big expansion in the D-mark sector, a number of parallel changes have taken place on a smaller scale elsewhere. One example is the emergence of Middle Eastern based issuing houses.

In the medium-term lending sector the changes have if anything been even more marked.

It is generally agreed that the size of individual loans and the quarterly financing totals will never again in real terms reach the records set in the second quarter of last year. The record for an individual loan was $2.5bn. (raised by the British Government), and the record for financing in any quarter was over $12bn.

The reason why these huge figures cannot really be used in charting trends is that they resulted from the sudden impact of the oil price rises on western countries' payments balances. The Euromarket provided an interim solution to these problems, while other solutions were sought. Only the most optimistic considered that the market could continue to provide finance on this scale. As the *table shows, the second quarter* of last year was a freak, even in comparison with the quarters which preceded and followed it.

Smaller

If one makes an exception of the second quarter of last year, overall activity is probably now running at roughly the same levels as in previous periods of high lending volume (in money terms). *However, the size of* individual loans still remains smaller than during 1973—the $500m. record in the current revival compares with several loans of $1bn. negotiated then.

Other major differences between 1973 and now are that maturities are much shorter and margins much higher. As in the bond market, a five-year maturity is easy enough to sell, though loans over five years are possible. This compares with a 15-year maximum in 1973. On margins, the norm at present is 1½ percentage points over inter-bank rates with a minimum of perhaps 1¼. This compares with perhaps ⅝ and ¾ in 1973. In addition, banks are demanding—and getting—front end fees of a kind which were not usual earlier.

Looking to the future, there seem to be two major threats to growth. One derives from the capital ratios problem. The *other relates to the potential* for loan losses—or refinancing requirements—together with the market's sensitivity to adverse developments.

There seems little doubt that the ratio of banks' capital to overall lending will be much more of a restriction on the growth of international lending in the future than it has been in the past. For the last 15 years there has been a gradual decline in these ratios *especially* among the United States banks which are the backbone of the international medium-term lending market.

Last year the U.S. banking authorities started taking a tough line on capital ratios: although there is no generally agreed figure at which the ratios should stand, what was agreed was that they should not be allowed to fall much further. The implications are that the volume of medium-term lending in the Euromarket will in future be much more closely determined by the cyclical developments in the banks' domestic economies at a time when there is major demand for new funds from domestic customers, banks' international lending will have to be held back. Overall lending capacity will depend much more closely on the banks' ability to raise new capital.

On the second point, while the available figures indicate that banks have so far suffered smaller loan losses internationally than on their domestic business, there seems little doubt that an increasing proportion of international lending capacity will be taken up by the need to refinance outstanding loans. Recently Argentina—which has not been one of the largest Euromarket borrowers—formally announced that it is renegotiating its foreign currency borrowings; banks have also had problems on their lending to Pertamina (the Indonesian state-owned entity), North Korea and Zaire. But the problem is much wider than this. Increasingly, a country's debt servicing needs are in effect producing a requirement for further foreign borrowing (though such loans may be dressed up as project finance or development finance).

Problem area

It is generally agreed that these country financings are unlikely to result in outright losses. The same cannot be said with any confidence of some *company financings.* Tanker loans are regarded as a particular threat.

Of more immediate concern are the signs that conditions in the market are changing to the disadvantage of the bankers. The Eurobond market has so far held up much better than the New York bond market in the face of rising interest rates—a $100m. issue in New York for the European Investment Bank was cancelled on the same day that New Zealand's issue in Europe was doubled. The major bullish factor internationally has been the relative strength of the dollar, but even this has not been sufficient to prevent some falls in prices of dollar bonds in Europe.

In the medium-term lending market, the main fear of the banks is that the downward pressure on spreads and the tendency towards longer maturities will strengthen. Although an economic revival in the U.S. would be expected to mop up lending capacity, at this stage the number of banks lending internationally is still increasing. Reportedly, a recent effort by the Soviet Union to raise a loan at a margin of 1⅝ per cent. has failed—but bankers wonder how long it will be before competitive lending pressure will bring margins down and cause maturities to lengthen again.

Letters to the Editor

Local authority spending

From the Secretary, Chartered Institute of Public Finance and Accountancy.

Sir,—I refer to Mr. Klein's suggestion (August 13) that the Government should develop an accounting system to allow councils to exercise control over their spending.

What he is saying in effect is that local authorities take decisions about spending on individual projects without taking into account manpower, accommodation and major capital resources, which, he says, account for over 70 per cent. of an authority's budget. He seems to be somewhat mixed up. It is true that manpower absorbs a large part of local authority expenditure, but this manpower is for the most part concerned with the direct operation of public services which he seems most anxious should not be cut—for example, teachers, firemen, policemen, social workers. The proportion of staff engaged on central services (and their accommodation and equipment) is very much smaller indeed.

If Mr. Klein is suggesting that central administrative expenses should be allocated to services and projects, then *provision for* this is already made in recommendations issued by the Chartered Institute of Public Finance and Accountancy. Most treasurers and financial officers of local authorities are members of this institute and follow these and other recommendations on local authority accounting. There is no question of laxity in local government accounting methods as alleged by Mr. Klein. The central Government, the high professional standards of accountants employed in local authorities, audit procedures, and the recommendations and advice of this institute all bring their respective influences to bear.

In any event, however, the matter raised by Mr. Klein is irrelevant to the main issue, which is that expenditure needs to *be rigorously controlled,* whether it is incurred on central services or directly on services and projects, and this is not an easy task when changes can only be made at the margin unless public services are seriously to suffer. The task will not be solved *by a simple prescription* of an accounting system, by whoever it is made.

R. A. Emmott.
1, Buckingham Place, S.W.1.

Painful stage

From The Chairman Fylde Policy and Resources Committee

Sir,—The Cleveland County treasurer says (August 11) they have cut out one-third of their "investment" demand expectations, and are concerned about the outcry from their "clients," who are asked to pay more and *more out in rates* than they get back in value. He goes on to say, "growth" implications are being investigated.

"Growth" is almost entirely salary expectations (having force of law) and debt charges, and as I have repeatedly pointed out to my "deaf" Lancashire authority, these are net demand inflation factors of the very worst type, as they are invariably un-matched by any improvement in service or performance.

I agree with Mr. Stevenson, not nearly enough attention is paid to the effects of "growth and investment." As an example, my own Lancashire County raised a $50m. loan, despite my public warning of exchange losses, and the injustice to ratepayers of dividends paid without deduction of tax. Neither treasurers nor members acted with "responsibility," in this case, to their "clients"!

The majority of treasurers express the opinion that local government expenditure will have to be dealt with gradually. Members must begin to realise it cannot be dealt with in this way. Immediate action to cut out numbers, absenteeism, under-employment, and excessive cost performance, is just and as essential in this area as in productive industry.

Changes in legislation are required urgently, also it will necessitate taking away many responsibilities imposed by Parliament on local authorities. Another essential will be to prohibit county local authorities from raising loans, until the national economic situation recovers, and thereafter all loan finance should be founded on the credit of the authority. It may be necessary to abolish the county system, with its duplications, in favour of greater responsibilities for the new larger districts.

We are approaching one of those painful curative stages in our history, where governmental and public authority ineptitude is bringing great hardship and misery to the workers of giant companies. It would be a great injustice if central or local government authorities escaped from the economic forces, which are now bending the politicians and their policies to its disciplines.

Councillor J. E. Gouldbourn,
6 Queen Mary Avenue,
St. Annes,
Lytham St. Annes.

Financial darkness

From The Town Clerk and Chief Executive Officer, London Borough of Ealing.

Sir,—The "financial semi-darkness" referred to by Mr. P. Klein (August 13) does not arise from an "incredible laxness of local government accounting methods" but rather from the heavily tinted glass of the spectacles of some observers of what is going on, both from within and from outside local government.

*The failure of money to con*tinue to provide a stable means of measurement of historical, current and estimated future costs has indeed created a formidable obstacle to the proper understanding of accounts prepared in monetary terms while the search for a satisfactory alternative means of measurement has yet to be successful. This implies that central departmental costs—or for that matter any other costs, calculated now in local government which contain *elements of expenditure* based upon earlier years are likely to deceive as well as to inform. The incremental addition to costs of any new project, including any additional central support costs, are the only *wholly reliable monetary figures* which a public authority can use and certainly total central expenditure needs to be as carefully controlled as any other type. I believe there is growing recognition that the most effective method of control must relate directly to the numbers of employees but this must be matched by proper understanding of the forces behind the increases in staff numbers over recent years.

First, there is the strong demand for increases in labour intensive services to the public or sections of the public voiced through Parliament, vigorously supported by dedicated pressure groups, and at least tacitly by public opinion and expressed in statute regulations and ministerial circular. Second there is a continuing obligation felt by councils to make good use of the capital assets acquired from loan to the best of their ability and this inevitably requires staff whether in schools, colleges, or children's or old people's homes. Third, the market for dedicated staff prepared to work long and unsocial hours in the public service is drying up. Where 56 hours per week was once commonplace 40 is the most which staff expect to work to-day and the reduction in the working week over recent years coupled with an increased number of institutions has meant more staff to provide the services which often extend over most of the day and sometimes of the night.

Members of councils and their senior advisers are not victims of obsolete accounting methods. Neither they, nor, apparently, the Government have, however, found the secret of encouraging expenditure in particular, while maintaining economy in general. *Thus the increasing costs of the* services demanded are expressed in that annual measure of local taxation—the rate in the £.

Paradoxically through the peculiarities of the incidence of receipt of Government grants the percentage increase in the rate *can be much greater than the* percentage increase in net expenditure.

P. J. Coomber.
Town Hall,
New Broadway, W.5.

Rights issues

From the company secretary, BOC International.

Sir,—Mr. R. Taylor of Stoke, New Zealand, makes a plea (August 13) that U.K. banks entrusted with the re-addressing of important documents such as letters of allocation connected with a rights issue, should not use surface mail as this can result in the document reaching *the addressee too late for him* to take up his rights. This plea has my full support and we will adopt Mr. Taylor's excellent suggestion that envelopes should be marked "do not re-address overseas by surface mail."

Unfortunately, Mr. Taylor's let*ter goes on to state that the let*ters of allocation for the recent rights issue by BOC International were despatched as second-class mail by the company's own registrars. Mr. Taylor is misinformed about this. I assure him that all these papers were despatched by first-class mail; indeed, to have done otherwise would have infringed the Stock Exchange Listing Agreement. If Mr. Taylor, or any other reader, in fact received his letter of allocation from us by *second-class mail* then I would be more than grateful if he could send me the envelope. It might enable me to get some money back from the Post Office!

C. A. B. Leslie.
Hammersmith House, W.6.

Floating rates

From Mr. D. Trigwell.

Sir,—Although Mr. Meulen (August 9) has been advocating for years, with his customary pragmatism and common sense, the use of free or floating rates for both gold and sterling, or any other currency for that matter, it is despairingly un*likely that the authorities will* ever listen for the following reasons.

Whatever the underlying cause of the flight from a currency, Treasury records show that intervention in the market by altering the rate does *something* in the short term. Such action *never* cures the situation which brought about the flight but it enables government to breathe again. Consequently, government will never admit that a falling rate is an indicator, no more, of a fundamental financial disease. The pound sterling used to be "worth" nearly five American dollars once upon a time, but successive administrators have now achieved a descent to the "50p dollar."

Believers in a fixed rate or worse, a rate tied to a fixed quantity of gold at a fixed price, labour under a severe but understandable misapprehension about cause and effect. The argument goes that the verb "to fix" or "attach firmly" has some in*trinsic merit which will rub off* on the operators in the market and cause profligacy to be replaced by discipline. Unfortunately operators consist of two distinct breeds, large—the Government and the public sector, small — commercial *organisations and the private* sector.

Government can and will ignore all the rules, is never bothered by a shortage of money and consequently continues to pour it down the drain in wild and uncontrolled extravagance. *The private sector finds itself* squeezed by high internal interest rates, a constantly depreciating pound and an inability to acquire or hold gold at any price.

The solution to our present problems lies in the application, *by government,* of financial prudence in the conduct of our affairs. The rates in the market can be safely left to find their own levels but alas such a policy is never likely to be adopted because there is no consensus about their *effects,* never mind the *causes* of our chronic sickness.

The question is also asked to-day, with government's present entrenched position as a consumer of 50 per cent. of the GNP, where and how do you cut government expenditure?

Consider for example, a proposal to abolish corporation tax, matched by corresponding cuts in government expenditure relating to trade and industry.

D. A. Trigwell.
57, Murray Road,
Northwood, Middlesex.

Best use of resources

From Mr. D. Taylor.

Sir,—The influence of the strong arguments of the "monetarists" can now be clearly seen in the economic policies of both our own and other countries' Governments. In our own case, the level of growth in the money supply has fallen from the 26 per cent., per annum through 1972-73 to 12 per cent., per annum through 1974-75.

While appreciating that the lags between Government action and the effect on the economy *are probably longer than pre*viously recognised, we must surely be seeing soon the benefits on the rate of inflation of the slower growth in the money supply. Assuming that the theory is correct, and we do get a dramatically reducing rate of inflation, the important question is where and how do we proceed from then.

The monetarists have been extremely quick to point to the rapid growth in the money supply as being the reason for the cur*rent inflation, a view with which* I agree. They have, however, been considerably slower in giving any indications of the likely results of following their theories on other economic factors, for example, unemployment growth in the economy, etc. They would appear to hold the view that unemployment would return to its "natural level," whatever that means, but give us no hint as to whether this might be 1m., 2m., or even 4m.

They would also appear to hold the view that much of our trouble is the fault of following Keynesian policies for 30-40 years. Yet they would appear to conveniently forget that preceding Keynesian policies we had experienced a level of unemployment at 20 per cent. in the U.K. and 25 per cent. in the U.S. Following broad Keynesian principles has given the western world a period of unprecedented economic expansion, reduced the average level of unemployment by some 90 per cent. from the levels of the early 'thirties and maintained this improvement for most of the last 40 years without, until very recently, the adverse side effect of rapid inflation. The fault of the current inflation lies not with Keynes but *the politicians. The last few* years of mistaken economic policies, have arisen not by following "Keynesian theories" but, quite simply, by not following them.

The other characteristic of the monetarists is that they would *all seem to support an extreme* laissez faire type economy. In general terms I support a free market, indeed to lose it completely would eventually lead to a loss of freedom in other areas of life, but I do not believe that by allowing complete freedom *within the market place it* will lead to "the best use of resources" or, necessarily, be of the most benefit to society at large. We really should have some form of national planning, giving a general indication as to what our medium-term strategy should be relating to industrial investment, redeployment of people, exploiting our strengths and controlling our weaknesses.

To believe that this will happen in the right manner automatically by allowing the economy to run itself completely free of controls, strikes me as being as naive as sending a set of footballers into the field, each without the least idea as to what position he is supposed to be playing.

D. R. Taylor.
5, Vale Close,
Harpenden, Herts.

Scales of pay

From Mr. P. Brown.

Sir,—Following Mr. Ehrmann's letter (August 5) pointing out the need for the Government, representing the nation, to specify what it considers to be a socially and economically desirable after tax earnings differential between the head of a nationalised industry and an unskilled labourer, I would just like to add that I feel many people would be much happier if MPs' salaries were based on a *multiplier of average industrial* earnings or some national figure of this type rather than being tied to a specific grade in the civil service.

I think we would all accept that, as the nation prospers, MPs should prosper too, but there must be reservations in tying legislators to an administrative pay scale. If MPs cannot accept a system of tying their remunerations to some national average, could I at least plead that they would consider a link *with a legislative grade such* as judges rather than a specific level in the civil service.

Peter M. Brown,
Synergy Holdings,
12, Hyde Park Place, W.2.

To-day's Events

Temporary employment subsidy comes into operation for each prospective redundant worker kept in full employment in Government-assisted areas.

Mr. Eric Deakins, Parliamentary Under-Secretary of State for Trade, on first leg of official visit to Australia, New Zealand, Papua-New Guinea and Fiji for trade and economic talks.

TUC finance and general purposes committee meets, London.

British Airways and British Caledonian Airways continue negotiations aimed at ending competition on certain routes.

Scottish Daily News relaunches as tabloid-size newspaper and cuts price to 5p.

OFFICIAL STATISTICS
Sterling certificates of deposit (mid-July).
London dollar certificates of deposit (mid-July).
Retail trade (July—provisional).
Turnover of motor trades (second quarter).
Turnover of catering trades (June).
Building society house prices and mortgage advances (second quarter).

COMPANY RESULTS
S. Hoffnung (full year).
John L Jacobs (half-year).

COMPANY MEETINGS
See Week's Financial Diary on Page 4.

BALLET
London Festival Ballet, with Marna Gielgud and Peter Breur, dance Swan Lake, Royal Festival Hall, London, 7.30 p.m.

CRICKET
Third Test: England v Australia, Headingley.

Pendin

COMPANY NEWS + COMMENT

Western Motor's current year growth

CURRENT YEAR group profits so far of **Western Motor Holdings** are "well ahead of anything previously achieved says the chairman, Mr. R. Mumford.

Under more settled conditions this performance would have led one to take a very confident view of the probable outcome for the whole year.

In the event, one can only hope that the efforts of the Government to do something about the runaway inflation and to bring the economy under some control will be successful, he adds.

As reported on August 7 group pre-tax profit for 1974 decreased from £342,726 to £281,942 and there is no Ordinary dividend (1.87652p net). A breakdown of turnover and trading surplus £0.54m. (£0.53m.) after depreciation, shows retail motor trade £7.06m. and £261,287 (£243,888); road transport £2.45m. and £289,502 (£287,902).

In spite of a poor start to the year and difficult trading conditions throughout the period turnovers and profits of group companies were maintained.

Turning to the Ryder report, Mr. Mumford says there can only be a sense of relief that the existence of a manufacturer with whom two important sections of the group are closely concerned appears to be no longer threatened.

The associate engaged in warehousing and distribution operations increased its turnover by 25 per cent. and halved its trading deficit. But the combination of high interest and the liability of the other partner to provide its share of group tax relief cancelled out the trading improvement.

John Brown and Co. holds 10 per cent. of Western Ordinary.

Meeting, Plymouth, September 10, at 11.45 a.m.

● comment

After a disastrous first half in 1974, **Western Motor Holdings** did well in the latter part of the year to restore overall pre-tax profits to a level exceeding the 1973 level—when property disposals are left out of the equation. Moreover, considering profits are closely linked to the retail motor trade, mostly through British Leyland distributorships, it is encouraging that in the current year (with seven months gone), group profits are "well ahead of anything previously achieved." But the key to Western Motor's market rating is still the question-mark over the associated company, Alfred Bell which is the cause of the very high tax charge. Until this is sorted out—which would presumably lead to a restoration of the dividend—the shares are still unlikely to have "Superdeal" attractions even at 15p. This is a case where a little more specific information would have helped.

HIGHLIGHTS

In a light postbag this week-end, the main item of interest was the report of **Western Motor Holdings**, which—as essentially a British Leyland distributor—seems to be making good progress this year. But this week there is a considerable volume of company announcements prior to the Bank Holiday, including interims from **Tubes, Slater Walker, Royal Insurance, F. W. Woolworth** and **London Brick. United Dominions Trust** figures prominently on the list of expected final results. There will also be a clutch of investment trust dividend announcements including that of **Atlantic Assets.**

Lynton property disposals

ALTHOUGH THERE has been some reduction in distributable profits, proceeds from a limited number of disposals of property since March 25 and at very satisfactory prices, have substantially reduced the level of short-term bank borrowings and are reducing the effect of interest charges in the current period of **Lynton Holdings.**

Stating this in his annual review the chairman, Mr. M. Lambert, points out that the continuing depression in the property market and the small number of transactions taking place make a full revaluation of the property portfolio extremely difficult.

It was intended to incorporate in the accounts the results of the revaluation made at June 24, 1974, but a fall in the property values in the U.K. has made this inappropriate.

The directors have consulted with the group's valuers and they have made an estimate of the values at June 24, 1975, of the major part of the investment portfolio.

On the basis of those values, the directors estimate that, when taking account of proceeds of property disposals, but ignoring capital gains tax, there was a surplus over existing book values of revenue properties at March 25, 1975, net of outside interests, of some £7.18m. (£12.32m.).

As reported on August 2 group pre-tax profit increased from £1.70m. to £1.93m. in the year to March 25, 1975, and the dividend is 1.9p (1.8p) net.

With the exception of the lifting of rent restrictions, difficulties facing the industry have not materially diminished, and the additional uncertainty as to the future profitability of property development in the U.K. has led the company to review its plans for expansion. However, a very limited number of medium-sized schemes are being considered on the assumption that satisfactory finance can be arranged. Year-end commitments were £6.1m. (£5.5m.).

Over 80 per cent. of rental income flows from Government agencies, major banks, insurance companies and similar covenants. In the years ahead there will be an increasing benefit from rent reviews on first class property investments.

Mr. Lambert foresees a continuation of the company's activities in European countries where a substantial portfolio has been established.

Meeting, 1-2, Mason's Arms Mews, Maddox Street, W., September 8, noon.

Allnatt expects over £2m.

IT IS DIFFICULT to forecast what the current year will produce for **Allnatt London Properties,** says the chairman, R. W. Diggens.

In the absence of any new circumstances as yet unforeseen expectations for the year is that profit, before tax, could exceed £2m. and should give an after tax figure showing a reasonable increase on the figures in the current account, he adds.

As reported on July 18 pre-tax profit for the year to March 31, 1975 was £1.71m. (£1.67m.) and the dividend is 3.1775p (2.9925p) net.

Rent increases agreed at some £276,000 that could not be collected by the legislation controlling business rents were freed by the repeal of that legislation and became collectable with effect from March 19 1975. Coming so late in that financial year they produced less than £10,000. As review dates occur further rent increases probably totalling some £200,000 per annum will fall due at various times in the current year.

It has been established that high alumina cement was used in some parts of only three Allnatt buildings. An exhaustive programme of tests has indicated that some remedial work may be necessary in one only of these, the cost of which is not expected to exceed £16,000.

Total reserves now stand at £7.21m. exceeding £7m. for the first time. During the year over £1m. was expended on new buildings and plant without requiring any external source of funds.

Even in the present depressed state of the property market the directors are confident that the aggregate value of the company's properties is appreciably in excess of the value recorded in the accounts. The development programme is being maintained at a level regarded as appropriate in present circumstances and financial arrangements for this are considered adequate.

Meeting, Winchester House, E.C., September 11 at noon.

Southerns-Evans prospects

CHAIRMAN of **Southerns-Evans,** Mr. S. Oxford, tells members in his annual statement that the current year should be at least as good as the previous one.

He adds that activity has only marginally improved for the first few months as compared with the last quarter in 1974, and there is little evidence to support hopes of any marked improvement throughout the calendar year. On the other hand, the trade should have less difficulty with stocks and purchases and the back end of the year may see supply and demand in a much better state of balance than has been the case for the past 12 months.

If there should be an upturn in activity, then the company could not be in better shape to take full advantage, but even so it will give a good account of itself, he declares.

As reported on July 9 pre-tax profit for the year to March 31, 1975, fell from £7.08m. to £4.65m. The dividend is effectively lifted from 2.465p to 2.669p net.

During the year capital expenditure amounted to £1.87m. (excluding cost of acquisitions) and the company is budgeting for an expenditure of £1m. for the current year.

A statement of source and application of funds shows a decrease in bank borrowings of £2.67m., an increase in cash and bank balances of £3.1m. and repayment of bank loans of £231,000.

Meeting, Manchester, on September 18 at noon.

FT Share Information

The following security has been added to the Share Information Services appearing in the Financial Times.

Ball and Collins (Oil and Gas) (Section: Oils)

Freddie Mansfield

Mr. Jim Slater, chairman of Slater Walker Securities, who is due to announce to-morrow his group's first half figures.

Tricentrol seeks separate exploration finance

BY NICHOLAS LESLIE

TRICENTROL, the oil products and motor group, is aiming to alter its borrowing powers so it can keep separate from general corporate borrowings up to £75m. of debt for exploration.

This unusual move is disclosed in a letter to shareholders. And it follows the recent announcements from the Department of Energy that it has agreed to give an interim guarantee to a total £10m. of bridging facilities supplied to Tricentrol by Barclays Bank in respect of development finance for the company's 8.4 per cent. interest in the Thistle Field.

Mr. L. P. Thompson-McCausland, chairman of Tricentrol, says in his letter that the Articles of the company limit the present borrowing powers to an amount equal to twice the aggregate of issued capital and consolidated reserves—a total of £23.42m., compared with the actual debt at December 31, 1974, of £16.32m.

It is "therefore apparent" that Thistle Field development finance requirements would exceed the present limit. Consequently, the proposal, to be put to shareholders at a meeting on September 8, is to change the Articles so that the new limit will be unchanged as regards general corporate purposes "but will, in addition, allow for borrowing of up to £75m. in respect of oil and gas exploration, development and production in the U.K. sector of the Continental Shelf," says Mr. Thompson-McCausland.

Another proposed change in the Articles relates to foreign shareholders. As from June, 1973, the Articles have restricted eligible persons to those British subjects resident within the U.K. Because it is felt this is too narrow, it is proposed to extend eligibility to include the Channel Islands and the Isle of Man.

Long term better for Intl. Timber

FOR THE short term any improvement by **International Timber Corporation** is likely to be gradual and hard won, but long term prospects are excellent says the chairman, Mr. R. Law. The company has the facilities for growth when the economy moves forward, he adds.

Mr. Law reports that first quarter of the current year was better than the last quarter of the year to March 29, 1975 but in present circumstances forecasting is difficult.

Certain limitations have been imposed on capital expenditure, but total expenditure in 1975-76 is budgeted at just over £2m., against approximately £3m. last year.

The project to establish a West Country distribution centre has been abandoned, and the building has been placed on the market for sale.

The balance sheet reflects the "great strength of the group," says Mr. Law. Net assets of about £50m. includes net current assets of £20m. Current liabilities are down by nearly £3m., and loan stock and medium-term loans are under £10m. Trading bank overdrafts are expected to fall by about £4m. at March 31, 1976.

Stocks are still falling and commitments are lower in volume and monetary terms than in the last few years. There was an increase in overdrafts and acceptance credits of £5.44m. (£9.06m.) and a decrease in cash of £22,000 (£936,000 increase).

As reported on July 10, group pre-tax profit contracted from £8.95m. to £1.85m. in 1974-75. The dividend is lifted from 4.815p to 5.17p net.

An analysis of sales of £105.01m. and trading profit (£1.8m.) shows, in percentages, timber and builders' merchanting 44.3 and 78.4; forest products 16.4 and 37.5; building products 14.2 and 52.2 loss; veneer products 3.9 and 19.7; European 20.5 and loss 3; other overseas 0.7 and 19.1.

Meeting, Tower Hotel, E.1., October 8, at 5 p.m.

Chairman's statement, Page 13

BOARD MEETINGS

The following companies have notified dates of Board meetings to The Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends considered are interims or finals and the sub-division shown below is based mainly on last year's timetable.

TO-DAY

Finals—Danks Gowerton, Esa Holdings, Globe and Phoenix Gold Mining, S. Hoffnung, Vibroplant.

FUTURE DATES

Interims—

Allen Harvey and Ross	Sept. 1
Brittains	Aug. 28
Edinburgh and Dundee Invest.	Aug. 29
English and Scottish Investors	Aug. 28
Ford (Martin)	Aug. 19
Kleeman Industrial	Sept. 2
Morris and Blakey Wallpapers	Sept. 5
Pentos	Aug. 21
Stocklis (Robert) (Manchester)	Aug. 20
Sun Alliance and Lond. Insurance	Sept. 3
Thurgar Bardex	Aug. 19
Winchmore Investment Trust	Sept. 3

Finals—

Allied Investments	*Aug. 22
Associated Dairies	Aug. 27
Atlantic Assets Trust	Aug. 21
Ellis and Co. (Richmond)	Aug. 21
G.T. Japan Investment Trust	Aug. 28
Town and City Properties	Aug. 22

* Amended.

Econa margins under pressure

THROUGH DECISIONS designed to meet day-by-day actions and legislation of the Government, Mr. H. R. Scott, chairman of **Econa,** believes current-year results "will be relatively satisfactory."

The level of activity to date is similar to that of the previous six months and at this level, together with ever-increasing inflation, margins are deteriorating. It is hoped that this will be more than compensated by additional output from acquisitions.

As reported on August 1, group pre-tax profit decreased from £404,201 to £298,912. The dividend is 1.7203p (1.6104p) net.

Wesleyan and General Assurance Society holds 10.5 per cent. of the Ordinary.

Meeting, Solihull, September 10, noon.

Reports to meetings

The following are extracts taken from chairmen's reports to recent annual meetings.

Mr. C. D. Woodburn-Bamberger, of timber group, **Bambergers,** said sales for first four months had shown a "welcome improvement," notably during July.

There were some encouraging signs of a recovery in private house building, an area where the group was well placed to take advantage of the increasing activity.

Maintenance of adequate, but not excessive, stocks and keeping borrowings well under control remained priorities until economic conditions improve materially, said Mr. Woodburn-Bamberger.

Mr. E. R. Hall, of **R. W. Toothill,** reported that results to date were in line with budgets and projections, and that the trend shown during the second of 1974-75 was being continued.

Shareholders of **Arlington Motor** were told by Mr. N. C. Housden, management figures indicated "we are on budget for our first quarter and producing comparable results with the first quarter of last year."

Demand for the heavier commercial vehicle had not yet recovered but given no further deterioration in the general economic climate "we expect to report satisfactory results for the year," he added.

Answering questions from **Peachey Property** members, Mr. Eric Heller stated that the results of the portfolio revaluation would be released together with the interim results for the year ended June 30, 1975, by the end of October.

Revaluations were being carried out by Healey and Baker and Goddard and Smith.

RESULTS AND ACCOUNTS IN BRIEF

GROUP INVESTORS—Gross revenue £326,186 (£327,968) for year to June 30, 1975. Tax £61,906 (£23,796). Net revenue available for holders £99,518 (£81,621). Net asset value per 25p Ordinary and Deferred share 47.2p (45.5p). Final dividend 0.825p net (0.75p) making 1.4p (1.275p).

[illegible]

June 30, 1975. Expenditure, including depreciation £269,972 (£233,680). Trading profit £50,497 (£31,796) after totalisator betting duty of £29,917 (£37,632). Pre-tax profit £56,987 (£39,033) including investment income and interest of £6,490 (£7,241). To tax £29,800 (£20,000), attributed £27,487 (£19,033). Board feels that [illegible]

[illegible] February 28, 1975. Turnover £4.38m. (£3.23m.). Group trading profit £300,082 (£251,184). Interest charges £55,904 (£46,489). Tax £149,726 (£111,311). Net profit £94,452 (£93,384). Minority interests £572 (£14,717). Extraordinary debits £56,402 (£3,350). Attributable £37,478 (£75,317). Dividends £31,516 (£27,184). Retained £5,962 (£48,133). Losses of two subsidiaries not available for tax purposes, but will be available for relief against future profits. Extraordinary items include losses of Nahums Mills resulting from decision to close, together with a provision for anticipated terminal losses. Mr. and Mrs. A. Radley waived rights to final dividend on 473,907 shares (473,907 shares). Profitability in second half improved substantially. In particular Radley Gowns and H. Sutcliffes achieved sharply higher profits. Turnover of group to date shows a good increase, particularly exports, and order book is strong. [illegible]

[illegible] making 0.78p year ended June 30, 1975 (0.21p). Gross revenue £232,076 (£222,275). Taxation £34,405 (£19,192). Net revenue £30,637 (£40,619). Earnings 1.19p (0.94p). Total assets £4,417,735 (£4,184,865). Net asset value 69p (72p) per share.

ARCOLECTRIC (HOLDINGS)—Profit £183,902 (£71,685) half year to April 30, 1975. To tax £33,801 (£31,080). Interim 3.685 per cent. net (same).

WIGGINS CONSTRUCT—Final dividend 0.637p making 1.2495p (same) year ended March 31, 1975. Group profit £151,237 (£253,108) after minority losses £8,235 (£12,860) but before tax £70,294 (£96,287). Dividends £66,350 (£66,350). Meeting, September 30.

SCOTTISH ASSAM TEA—No dividend for 1974 (same). Turnover £437,777 (£319,934). Net profit £44,219 (£12,377), after tax of £49,237 (£1,412). Debit extraordinary item £10,800 (nil).

[illegible]

ROMFORD STADIUM—Turnover £256,757 (£256,679) half year to June 30 1975. Profit £44,204 (£56,125) after depreciation £5,422 (£5,532). To tax £23,555 (£29,500).

MANSON FINANCE TRUST—Results for year to April 30, 1975 reported July 11. Mortgage advances £7.74m. (£7.73m.). Group current assets £621,982 (£257,075). Current liabilities £613,626 (£549,125). Directors are confident of another profitable and successful year. Meeting, Grosvenor House, W., on Sept. 8 at 11.30 a.m.

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Pending dividends

For the convenience of readers the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming Board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent. shown in the column headed "Announcement last year." Preliminary profit figures usually accompany final dividend announcements.

	Date	Announcement last year
*Albright and Wilson	Sept. 3	Int. 10%
*Allied Insulators	Aug. 20	Int. 3.4%
Anglo Amer. OFS Group	Sept.	Dividends
Anglo-Thai Corpn.	Sept. 3	Final 6.21%
APV	Sept. 28	Int. 9.1%
Armstrong Equipment	Sept. 11	Final 15.3%
[illegible]	[illegible]	[illegible]
Foseco Minsep	Sept. 25	Int. 8.3%
*Guardian Royal Exchange	Sept. 10	Int. 19.7%
*GKN	Sept. 18	Int. 5.6%
GRA Prop. Trust	Sept. 24	Int. 5.8%
Guinness Peat	Sept. 12	Final 32%
Harmony Gold	Sept. 12	Int. 78%
Hestair	Sept. 25	Int. 5.8%
House of Fraser	Sept. 2	Int. 7.5%
Howden (Alexander)	Sept. 11	Int. 14.9%
International Combustion	Sept. 17	Int. 10.4%
*ICI	Sept. 4	Int. 8%
*Kleinwort Benson	Sept. 25	Int. 8%
Kuala Lumpur Kepong	July 29	Int. 5%
Ladbroke Gp.	Sept. 19	Int. 2.6%
Laing (John)	Sept. 25	Int. 6% §
Laird Group	Sept. 16	Int. 7.3%
Laporte	Sept. 25	Int. 6%
[illegible]	[illegible]	[illegible]
*Utd. Dominions Tst.	Aug. 21	Final 9.6%
Vickers	Sept. 19	Int. 4.48%
Wadham Stringer	Sept. 25	Int. 8%
Western Mng.	Aug. 7	Final 8%
Wms. Hudson	Aug. 29	Final 21%
*Woolworth (F. W.)	Aug. 20	Int. 7.3%

* Board meetings intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made from reserves.

Local Authority Investments

LOCAL AUTHORITY Loan rates were generally reduced during last week, with the largest falls recorded by the shorter periods. Deposits with local authorities at seven days' notice were reduced to 9¾-10 per cent. from 10-10¼ per cent., the one-month deposit to 10¼-10½ per cent. from 10⅜-10½ per cent., the three-month to 10½-10⅝ per cent. from 10⅞ per cent., and the one-year mortgage was quoted at 11½-11¾ per cent., compared with 11¾ per cent.

The Financial Times Government Securities Index had improved by the end of the week to 60.31 compared with 59.73 on the previous Friday, and after falling to 59.52 on Monday.

One-year local authority bonds were placed during the week at par, with a coupon of 11⅞ per cent., to offer a yield ⅛ per cent higher than the previous week's batch.

* Rate (%) Aug. 15, 1975	
2 days' notice (deposit receipt)	9⅝—9⅞
7 days' notice (deposit receipt)	9¾—10
7 days' notice after one month (deposit receipt)	10⅛—10¼
7 days' notice after three months (deposit receipt)	10½—10⅝
7 days' notice after six months (deposit receipt)	10⅞—11¼
Mortgage at one month's mutual notice after 11 months	11½—11¾
Mortgage at one month's lender notice after 11 months nominal term 2-5 years	n.a.
2 years' mortgage	12¼—12½†
3 years' mortgage	13 —13¼†
4 years' mortgage	13¾—14¼†
5 years' mortgage	14 —14½†
6-10 years' mortgage	n.a.
11-30 years' mortgage	n.a.

* Rates are for sums not less than £20.000 and are subject to local variations and fluctuations. † Nominal. ‡ Shorter periods may attract higher rates than longer. n.a. Not available.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

INTERNATIONAL COMPANY NEWS

Recession hits Lufthansa

BY GUY HAWTIN

FRANKFURT Aug. 17.

THE RECESSION has hit the air freight business of Lufthansa, the West German airline. Its interim report states that freight tonnage carried in the first-half year was 9.6 per cent. lower compared with the same period of the year before.

This, however, appears to have been largely offset by a rise in demand for passenger transport, and by price increases. Gross transport earnings rose to DM1.4bn. in the first half of the year—12.2 per cent. up on the DM1.25bn. recorded in the same period of 1974.

Over the past 12 months, Lufthansa has substantially increased its carriage potential. The total tonnage/kilometre available rose *in the first half of 1975 by* 11.7 per cent. compared with the same period of the year before to 1.95bn tonnes/kilometre.

Carriage potential has been raised by the employment of larger aircraft rather than an extension of routes. And, because of the recession, it is hardly surprising that there had been a heavy drop in the commercial load factor. Gross de*mand, however, showed a small* overall increase of 1.1 per cent., bringing it to 1.06bn tonnes/kilometres.

Passengers in the first half year rose from 4.6m. the year before to 4.85m., an increase of 5.3 per cent. Freight carried fell by 9.6 per cent. from 133,787 tonnes in the first half of 1974 to 122,700 tonnes. The weight of airmail transported declined by 0.8 per cent. from 19,048 tonnes to 18,889 tonnes.

Gross receipts, however, rose substantially. Income from passenger transport went up by 14.8 per cent. from DM940bn. to DM1.08bn. Freight income rose 3.7 per cent. from DM267m. to DM277m., while postal service income climbed by a useful 7.3 per cent. from DM41m. to DM44m.

Personnel costs appear to have risen more slowly between the end of the first halves of 1974 and 1975 than in many German industries. Expenditure on staff totalled DM574.6m. during the opening six months of 1975. This is 10.6 per cent. more than the DM519.3m. recorded in the same period of the previous year.

However, this increase is partially offset by the fact that the number of employees is up 3.9 per cent. from 23,031 to 24,975. Investment over the period totalled DM224m., of which DM201m. went on new aircraft.

Hertie rationalisation afoot

BY GUY HAWTIN

FRANKFURT, August 17.

WEST GERMAN retailing *appears to be holding up reason*ably well despite the current recession, particularly at the middle and upper end of the trade. Only one leading West German store group has expressed real concern over the prospects for the coming year, the F. W. Woolworth subsidiary which is more heavily orientated than most to serving the lower paid and the guest workers.

Most of the middle market store groups are believed to be reporting relatively satisfactory half year figures and the banks indicate that there is a steadily growing demand for consumer credit. Ironically, the year looks like being a better one than last year, despite the fact that the unemployment rate is now solidly above the one million mark.

Hertie Waren-und Kaufhaus, *the third largest of the West* German store groups, has just published interim figures, which, taken with those of its competitors, seem to confirm this trend. Turnover, the group reports, rose by 8.8 per cent. over the first six months of 1975.

The management emphasises that despite these satisfying results the difficult economic situation makes it difficult for them to forecast that the growth will be maintained throughout the entire 12 months. But Hertie executives are working at rationalisation measures which will, they hope, result in substantially improved profits this year. Investment in 1975 will total over DM225m.

Last year retail turnover rose by 5.9 per cent. to DM.5.74bn., rather better than some of its competitors. Sales in the depart*ment store division* went up by 6.3 per cent. to DM5.3bn.—far faster than the dissapointing 0.9 per cent. growth, which brought shop turnover up to DM428m. Department store growth, however, was not as satisfactory as it seems because two new stores were opened during the course of the year, reducing real growth in sales space terms. Turnover in the group's travel business totalled DM55m.

The group's workforce fell by 2.9 per cent. to 57,100 employees over the course of the year, while personnel costs rose to DM95.5m. Capital spending declined from 1973's DM225m. to DM173m. while cashflow also fell from DM242m. to DM232m. Net profits, hit by tax increases, declined from the previous year's DM46m. to DM33m.

World Economic Indicators

INDUSTRIAL PRODUCTION

	June '75	May '75	April '75	June '74	% Change in Year
U.S.	109.4	109.2	110.0	125.3	−12.6
U.K.	100.0	100.5	101.9	108.8	−8.1
France	112.0	109.0	112.0	126.0	−11.1
W. Germany	106.1	109.4	104.2	123.6	−14.2
Japan	109.9	108.9	108.3	124.5	−11.7
	May '75	April '75	March '75	May '74	
Holland	101.0	109.0	104.0	122.0	−17.2
Italy	105.4	113.7	108.5	129.7	−18.7
	April '75	March '75	Feb. '75	April '74	
Belgium	110.0	113.2	106.3	123.9	−11.2

Fitzwilton Assoc. growth

Financial Times Reporter

August 17.

RECORD U.S. results have been announced by Fitzwilton's associate **National Mine Service**, the Pittsburgh based coal mining equipment concern. Fitzwilton has a 27 per cent. shareholding worth £9.8m. at *current market prices in the* company.

Turnover of NMS in the year to June 30, 1975, soared by 56 per cent. from £26.3m. to £49.9m. Net profit after tax showed a 165 per cent. jump to a record £2.7m. Net earnings per share rose from 69.5p to 168p.

During 1974-5, Fitzwilton's shareholding in NMS was increased from 20 per cent. to 27 per cent., the largest single stake in the company.

The total cost of the holding to Fitzwilton was $9.2m. (£4.4m.) and the capital surplus on it at the latest market price is £5.5m.

On the basis of the NMS results, the profit attributable to Fitzwilton during the year was $2.6m. (£1.3m.) before tax. Interest payable on the cost of the investment was £340.000.

Public Works Loan Board rates

(Effective from August 2, 1975)

Years	Quota loans Repaid By instalments	Quota loans Repaid At maturity	Non-quota loans Repaid By instalments	Non-quota loans Repaid At maturity
Up to 5	11¼	11¾	13¼	13¾
Over 5, up to 10	11½	12¼	13¼	13⅝
Over 10, up to 15	11⅞	13⅜	13⅜	13⅞
Over 15, up to 25	13⅛	14¼	13⅞	14⅛
Over 25	13⅜	13⅞	13⅞	14⅛

Money & Exchanges

Bank of England Minimum Lending Rate 11 per cent. (since July 25, 1975)

Short-term fixed interest rates were generally easier last week, with the one-month sterling certificate yield falling to 10⅛-10⅜ per cent., from 10¼-10½ per cent. at the end of the previous week. The two-month eased to 10¼-10½ *per cent., from 10⅜-10⅝ per cent.*, the three-month to 10⅜-10⅝ per cent., from 10⅝-10⅞ per cent., and the one-year to 11⅛-11⅜ per cent., from 11⅜-11⅝ per cent.

Day-to-day credit was generally in good supply in the London money market, with the authorities selling Treasury bills to absorb surplus funds on Monday, Tuesday and Friday. The Bank of England did not intervene on Wednesday, but on Thursday assistance was given by buying a moderate amount of Treasury bills and Corporation bills.

At the weekly Treasury bill tender the average rate of discount fell by 0.0438 per cent. to 10.4313 per cent.

Sterling began the week by falling to a closing rate low in terms of the U.S. dollar at $2.1020-2.1030, and also touching an all time low of $2.0940-2.0960 at one time on Monday. Later in the week, however, the pound *improved a little and closed at* $2.1080-2.1090 on Thursday and Friday, a gain of 40 points on the week. Its trade weighted average depreciation against ten major currencies since the Washington Currncy Agreement (as calculated by the Bank of England) remained very steady throughout, within a range of 27.6 per cent. and 28.0 per cent. The pound closed on Friday at 27.8 per cent., against the previous week's 27.9 per cent.

The U.S. dollar maintained a very firm trend, and its trade-weighted average depreciation against 14 units since the Washington Agreement, as calculated by Morgan Guaranty of New York, touched 2.32 per cent. on Tuesday the best level since January 30, 1974. It finished the week at 2.38 per cent., compared with 2.49 per cent., at the end of the previous week. Trading in gold was fairly quiet and the metal ended at $161¼-162¼, against the previous $163.7-164.4. The Krugerrand for domestic delivery closed at $169½-170½ (£80¼-81), compared with $173-174½ (£82¼-£83).

EXCHANGE CROSS-RATES

Aug. 15	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't	—	2.6745-55	56.86.94	6.73-74	5.420-455	97.40-51	96.40-66
N. York	38.23-26	—	22.84-87	2.608-610	2.1085-1095	37.80-85	37.47-53
Paris(c)	169.8-70.2	4.395-403	—	11.4625-487	9.2375-2625	166.75-66.8	163.37-77
Brussels(c)	14.82-92	38.35-40	8.74-78	—	80.75-81.08	14.47-56	14.28-38
London	5.42¼-45¼	2.108-109	9.21-22	80.60-80.80	—	5.56½-57½	5.61½-62½
Am'srdam	102.606-555	2.6442-67	60.425-475	6.8895-805	5.5765-580	—	99.145-196
Zurich	103.65-73	2.6675-6705	60.90-61.04	6.97-98	5.6035-632	100.80-10	—

U.S. $ in Montreal: U.S. $ = 103.22-24 Canadian cents.

Canadian $ in New York: $C1 = 96.85-87 U.S. cents. U.S. $ in Milan 669.40.

Sterling in Milan 1411.00. (c) closed.

EURO-CURRENCY INTEREST RATES*

Aug. 15 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Aug. 15 1975	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposit	Treasury bills	Bank bills	Fine trade bills
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

GOLD MARKET

	Aug. 15 1975	Aug. 14 1975
[illegible]	[illegible]	[illegible]

† Basic discount. ‡ Rates given are for convertible francs; closing financial franc [illegible]

WEEKLY AVERAGES OF U.K. INDICES

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FOREIGN EXCHANGES

Aug. 15 1975	Bank Rate %	Market Rates Day's Spread	Market Rates Close
New York	6	2.1080-2.1105	2.1080-2.109
Montreal	8¼	2.1880-2.1820	2.1900-2.1820
Amsterdam	6	5.55-5.59	5.56½-5.57½
Brussels	6½	80.60-81.00	80.60-80.8
Copenh'gen	8	12.53-12.57	12.54¼-12.56¼
Frankfurt	4½	5.42-5.45	5.42¼-5.45¼
Lisbon	6½	55.63-56.10	55.60-55.80
Madrid	7	122.65-123.10	122.70-122.90
Milan	7	1,404-1,410	1,408¼-1,409¼
Oslo	5½	11.48-11.52	11.49-11.50
Paris	9½	9.19-9.24	9.21-9.22
Stockholm	7	8.06-8.11	8.07½-8.08½
Tokyo	7½	625-632	627-629
Vienna	6	38.10-38.60	38.15-38.35
Zurich	4½	5.59-5.65	5.61½-5.62½

OTHER MARKETS

[illegible]	[illegible]	[illegible]

FORWARD RATES

	One month	Three months
[illegible]	[illegible]	[illegible]

MINING NOTEBOOK

The riddle of a share market 'flyer'

BY LODESTAR

I CAN already hear them saying it: "Pancontinental is another Poseidon." The shares keep hitting new highs in Sydney. This year they have come up from $A2.30 to a Friday peak of $A6.50 before a profit-taking reaction on that day to $A6.34. The London price including the investment currency premium is 620p.

The last verdict given here on July 21 was that bulls must hope that the "newly-found golden aura persists and that Mr. Connor does not." This referred to reports that Pancontinental might be able to creep in through the opera*tional back door* with a goldmining venture at its big Jabiluka uranium prospect. And, much more importantly, to the growing hopes that changes of political personnel in Canberra, namely the dismissal of Messrs. Connor and Hewitt, would remove the dead hand of Government off the company's undoubted ability to obtain highly profitable uranium export contracts.

Sir Lenox Hewitt did indeed depart from his post as Connor's *right-hand man last Friday but* the latter soldiers on, despite all the rumours of replacement.

Pancontinental has stated in answer to a stock exchange query in Sydney that it knows of no reason for the rise in its shares. When I delivered my July message the London *price* was a record 530p.

Those who continue to run their profits must be clear on two points. In the short term they are taking one of the greatest gambles, namely a political one. In the long term if they survive the first throw of the dice they could still be on to a winner.

But, as a long history of worldwide embryonic mining ventures has proved beyond doubt, the time to sell will be somewhere between now and the culmination of what could still be a long and stormy path towards uranium production at Jabiluka and before the acid test of profitability or what is left of it after the Mr. Connor of the *day gets his hooks* on it.

Court v. Hancock

Back in Western Australia the great iron ore battle presses on. It is between Mr. Lang Hancock and Government, this time in the shape of the State's Premier Sir Charles Court—who, as pointed out here last Monday, are hardly great friends. The clash is over the interpretation *of the undertaking given by the* Japanese steel industry to acquire an equity interest in the Marandoo iron ore project as reported in our August 6 Mining News column.

A letter of intent, Mr. Hancock says. A *letter of interest*, answers Sir Charles. The differentiation is of vital importance in more ways than one. On Mr. Hancock's version depends his ability to raise the money for his half-share interest in the £364m. project. The other co-venturer is America's Texasgulf. On Sir Charles' version depends the highly complicated political verdict on whether Marandoo will, indeed, be the "next cab off the rank." which Hancock reckons is *the Federal Government's intention.*

Goldsworthy

At this point shareholders in Consolidated Gold Fields should prick up their ears. Because battling for position in the cab rank is the mining area "C" of that group's Goldsworthy iron ore operaiton in the Pilbara area which contains the same kind of Marra Mamba ore as Marandoo which it is vital to bring to production for the future of Goldsworthy's otherwise restricted mining life.

Here again there are overseas partners in the shape of America's Cyprus Mines and Utah International. The Japanese are testing samples of Marra Mamba ore from both sources. Sir Charles is believed to favour the Goldsworthy project professedly because it was the Pilbara's pioneer iron ore producer.

Ironically, the Gold Fields group is associated with the rival Hancock and Wright camp in the fabled McCamey Monster iron ore deposit which is still well back in the rank but must inevitably become a front runner at some time in the more distant future. No wonder our Perth correspondent comes to the conclusion that the whole dispute between the Hancock interests and the Federal and State governments is "fraught with all kinds *of possibilities." The only ones* who seem to be laughing — as usual when dealing with Australia—are the Japanese.

Canadians

Canada has been suffering from a combination of low metal prices and a tax war between the provincial and federal authorities that has been petrifying exploration and robbing shareholders of the rewards necessary to encourage *essential risk* caiptal for the metal producers.

There are, however, some signs that the tax gatherers are beginning to see the error of their ways. In which case there are big recovery possibilities in the Canadian mining industry, one of the biggest in the world. So it was with a timely thump that the 1975-76 edition of the Northern Miner's Canadian Mines Handbook landed on my desk.

Its 420 pages are packed with statistical details of the country's many mining companies together with maps and stock exchange information. It is obtainable from Northern Miner Press, 77 River Street, Toronto M5A 3P2, price $10.

Canadian brokers Draper Dobie draw particular attention to the shares of one of the country's biggest mining houses, Cominco, which offer a spread of interest over lead, zinc, gold, coal and fertilisers

In the 22-page analytical survey the brokers admits that 1975 profits are bound to be down from last year's record levels but this does not prevent them expressing the opinion that the shares (currently $C33 in Toronto) are "most undervalued of the senior Canadian metal mining securities."

The contrast is mostly with International Nickel and Noranda. The latter is reckoned to have a debt-laden balance sheet and a dearth of projects while Inco "lacks the management capabilities outside of the nickel business."

Cominco's top this year so far has been $C34. Draper Dobie looks for a trading range over the rest of 1975 from $C29-$C30 to an initial upside objective of $C38-$C40.

Western Deep

With the bullion price threatening at one time last week to break down through $160 an ounce, enthusiasm for gold shares continues to run low. But the flotation of the new Elandsrand mine later this year could draw increasing attention in coming weeks to the shares of Western Deep which offer a way into Elandsrand owing *to the stated intention of passing* on the 19.6 per cent. stake therein to shareholders. Western Deep are £18½.

Comparisons are inevitably being made with the debut of Deelkraal last April when the "rights" jumped from 30p premium to 90p in a couple of weeks. Whether Elandsrand will make such an ebullient start depends, of course, on the gold price prevailing at the time. When dealings in Deelkraal started it was $166.50. On Friday it was $161½ and could well go lower in the short term. The time may then be ripe to pick up some Western Deep.

INSURANCE

The road to the east

BY OUR INSURANCE CORRESPONDENT

WITH THE increasing commercial and industrial appetites of the Arab and Middle Eastern states, a number of British hauliers are already blazing the trail beyond the Bosphoros, right the way through Turkey and Iran, down to the Persian Gulf, while many others are anxious to get *into the act. Quite clearly the* British pioneering spirit is not yet dead, and arguably it deserves to be encouraged, albeit with due regard to the risks involved.

One problem facing many a British haulier making these long journeys is the purchase of insurance, firstly for loss of or damage to the vehicle and liability in connection with its use, secondly for loss of or dam*age to the goods carried.* And the British insurance market, while applauding this kind of enterprise, is in general approaching the provision of cover very cautiously.

Danger of loss

So much so that no haulier should contemplate making such a trip before he has found out what cover is available, how much premium insurers will require for that cover and how much risk he will have to bear himself; otherwise he may well find he has quoted a price for the trip which leaves him not only no possibility of any profit margin whatever but the absolute certainty of loss.

Dealing particularly with the vehicle risk, in recent years, insurers have got accustomed to the idea of hauliers going as far afield as such places as Istanbul, Warsaw and Bucharest—although such trips are relatively few and it is still difficult for insurers to build up sufficient experience to enable them to take a completely objective view of premium and cover.

Many insurers writing large *haulage accounts reckon that in* providing cover for these "one off" long distance trips within Europe they are literally on a hiding to nothing. So their reluctance to contemplate journeys into Asia is at least explicable and understandable, if not acceptable to the pioneering haulier.

So far as the own damage risk is concerned, the haulier must recognise that the further his *vehicle is from home when it is* damaged, the more costly it may be to get spares and suitable mechanics to it, and the greater the chance that the damage, readily repairable in Britain or in the EEC, will at 2,000 miles distance necessitate the abandonment of the vehicle as being too costly either to repair on the spot or somehow bring back to a potential repair centre.

Damage excess

Before approaching his insurers, the haulier must plan and explore his route ascertaining such obvious facts as the availability of spares and skilled labour along the route and not overlooking the adequacy—perhaps existence—of accommodation for overnight halts—and even then he may find that his insurers will require him to bear a substantial *damage excess* if not to carry the damage risk entirely himself.

Now to legal liability cover. Within EEC, of course, every British motor policy has to provide cover sufficient to meet the requirements of local compulsory insurance law; by virtue of international agreements this obligation now extends to several non-EEC countries such as Austria, Hungary and East Germany. Going farther afield, cover will normally be available beyond the confines of the EEC and associated territories within the other countries that are signatories to the international green card scheme.

This takes the haulier to the farther borders of Turkey, though as yet few haulier and insurers have any real knowledge or practical experience of the operation of civil and criminal road traffic laws there. Beyond Turkey the green card is of no legal consequence whatever.

According to the Middle East Supplement of the Freight Transport Association's International Service Manual, in Syria, Iraq, Kuwait and Iran, third party insurance is compulsory: such cover must be bought at the border, except in the case of Iran, where seemingly such cover *may be arranged* in Britain provided insurers have an agency in Iran. In the other Arab states, Jordan, Lebanon and Saudi Arabia, it seems there is no compulsory third party insurance yet, and that British policies probably can be extended without infringing local law.

Changing picture

British brokers and insurers are on the spot, busily opening *up the growing insurance market* and the picture is fast changing: before long it may be possible for the haulier to get complete third party cover here in Britain for the whole of his journey—and get his claims serviced by his own insurers, or their agents, wherever those claims occur. But for the present this complete coverage does not yet seem to be obtainable, and so any haulier that is offered it, will do well to question whether his policy can be 100 per cent. effective in Syria, Iraq, Kuwait and Iran.

London tea sales

At the tea sales held in London last week 51,265 packages sold realised an average price of 61.61p per kilo compared with 60.25p at the previous sale and against 57.04p a year ago. Plain tea was quoted at 51p.

	No. of kilos	Average per kilo
African Highland Prod.	72,792	66½p
Amalgamated	7,565	56½p
Assam Co	2,912	68p
Assam Dooars	1,937	51p
Blantyre	104,104	54½p
Bogawantalawa	6,645	80p
British Africa	28,709	61½p
Central African	95,877	50p
Chubwa	924	57p
Cons. Tea & Lands	34,698	48p
Deundera	12,396	62p
Duckwari	13,418	58p
Estates & Agency	10,031	59½p
Rampha	10,245	61p
Kanan Devan	12,619	59p
Kenya	73,415	70p
Luyeri	71,841	62½p
Lunuva	26,163	64p
Mayfield	8,360	61½p
Nayabedde	5,873	65½p
New Dimbula	15,412	68p
Ouvah	15,619	62p
Pappojan	1,830	60½p
Rub Estates	15,263	57½p
Scot. Tea & Lands	17,182	62½p
Spring Valley	8,096	64½p
Standard	38,603	73p
Tanganyika	13,762	72p
Telbedde	5,672	70½p
Tukuyu	53,641	65p

Stocks at August 8 amounted to 57,378 metric tons compared with 59,094 metric tons a year ago. Converted at 48,968 kilos per package.

INSURANCE BASE RATES

† Atlantic Assurance	11½%
Cannon Assurance	8½%

† Address shown under Insurance and Property Bond table.

INTERNATIONAL COMPANY NEWS + EURO MARKETS

EUROBONDS

Prices improve in quiet market

BY MARY CAMPBELL

THE COMBINATION of August and Friday's Assumption Day holiday in some continental centres made for a quiet market last week. However, within this limitation, prices improved.

In the dollar sector, one factor was the decline of Eurodollar interest rates. Another was the relaxation of fears on the doubling of the size of the New Zealand issue. Both branches held up well in the secondary market last week and dealers say that this was without unusual support from the managers.

One further dollar issue has been announced: $25m. for the South African state entity ISCOR. Proposed terms include a maturity of five years and an indicated coupon of 10 per cent. Lead managers are Kredietbank Luxembourgeoise, Crédit Commercial de France and Westdeutsche Landesbank.

The improvement in market condition came too late to help Transamerica Financial's Can $15m. issue which was postponed on Tuesday. Yesterday, however a Canadian subsidiary of the U.S. company International Harvester announced a Can $20m. six-year issue. Lead managers are Morgan et Cie. Dominion Securities Corporation and Harris and Partners.

In New York, the Japanese Mitsui has filed a further convertible issue with the SEC its second since the removal of the U.S. controls on capital exports. An offering date late in September is expected for the $15m. issue.

Eyes will be turned towards the D-mark sector this week where the next capital markets sub-committee meeting on August 20 will decide whether the ban on foreign issues should be continued beyond the end of this month.

The next issue in the Swiss franc foreign bond market will be Sw.Frs.50m. for the Japanese NYK Lines. An 8 per cent. coupon is expected.

SEC alleges Pelorex share fraud

By Jay Palmer

NEW YORK, August 17.

THE BANQUE de Paris et Pays-Bas U.S. operations, together with the ex-chairman of a now-defunct brokerage house, has been charged with fraud by the U.S. Securities and Exchange Commission. The charges, alleging three separate violations of the securities Acts, are in connection with the public sale of shares of a small American company in 1971.

The SEC's administrative action claims that the bank "participated as an undisclosed underwriter" in the February, 1971, sale of 200,000 shares of the Pelorex Corporation. Specifically, the Commission accuses the bank of buying 50,000 of those shares at a substantial discount to the public offer price, for later resale.

This illicit purchase, the SEC claims, created an artificial shortage of Pelorex shares and drove the market price up to give the bank an immediate illegal profit. Details of this arrangement, it is claimed, were deliberately withheld from the registration statement.

The charge sheet, on which the hearing will be held, makes it clear that the SEC does not regard this as a technical violation. "The Banque de Paris," the SEC says, "intended to withhold from public sale the 50,000 shares until such a time as they could be offered and sold at prices substantially in excess of both purchased and offered prices."

Penalties on these allegations range from mild censorship to a catagorical SEC order barring the bank from maintaining any relationship with a U.S. broker-dealer. At the moment the Banque de Paris has such relationships in America, including a 20 per cent. stake in Warburg Parisbas Beecker, the Chicago investment bank.

Air Anglia to fly to Bergen

AIR ANGLIA, based at Norwich airport, will have carried more than 150,000 passengers by the end of the year, the company said yesterday. This is twice last year's figure.

The ariline is to introduce an Aberdeen-Bergen, Norway, service on August 25 because of demand from the North Sea oil and gas industries.

Mission wins Nigeria trade

GLASGOW Chamber of Commerce states that final reports from concerns which took part in its trade mission to Nigeria in May put total sales confirmed at about £300,000. In addition, there were under negotiation further orders to a total of £1.3m. which, it was hoped, would be finalised before the end of the year.

Mr. Matthew Neil, the Chamber's chief executive, said that the mission appeared to have done a great deal of good. British manufacturers must make sure they grasped opportunities in this important and wealthy market.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume 000's
Aug. 15	68.12	158.23	825.64	77.68	10,610
14	68.27	156.67	817.04	77.26	12,460
13	68.26	156.27	820.64	77.84	12,000
12	68.28	157.45	828.04	78.36	14,510
11	68.25	156.58	825.76	78.22	12,300
8	68.25	156.88	817.74	77.67	11,660
7	68.28	156.65	815.79	77.64	12,390
6	68.24	156.71	815.67	78.48	16,280
5	68.51	156.79	810.15	78.57	15,470
4	68.57	157.98	818.05	79.06	13,620
1	68.64	160.40	826.50	79.65	15,330
July 31	68.61	161.63	831.51	79.50	14,540
30	68.82	161.26	831.66	79.34	16,150
29	68.86	159.29	824.86	79.50	19,000
28	68.85	160.25	825.85	80.11	14,850
25	68.81	161.22	834.09	80.01	15,110
24	68.88	161.65	840.27	81.15	20,550
1975 High	69.92 (4/4)	174.12 (5/5)	881.81 (16/7)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	165.32 (20/4/65)	—
Low	—	15.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Aug. 8	Aug. 1	Aug. 9, 1974
4.75	4.69	4.80

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	Aug 15	Aug 14	Aug 13	Aug 12	Aug 11
51.24 (15/7)	37.06 (2/1)	46.02	45.64	45.88	46.48	46.16

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,693	508	456	429

	Aug 15	Aug 14	Aug 13	Aug 12	Aug 11
New Highs	7	5	11	10	4
" Lows	16	23	17	8	18

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	Aug 15	Aug 14	Aug 13	Aug 12	Aug 11
96.80 (15/7)	62.20 (2/1)	86.16	86.85	86.06	86.49	85.79
Volume (000's)		1,320	1,310	1,390	1,470	1,450

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Aug. 15	96.98	86.36
14	96.11	85.60
13	96.49	85.97
12	97.98	87.12
11	97.22	86.55
8	96.56	86.02
7	96.97	86.30
6	96.79	86.25
5	96.74	86.13
4	97.75	87.15
1975 High	107.40 (15/7)	95.61 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

*415 Industrials. †425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Aug. 13 1975	Aug. 6 1975	Aug. 22 1974
Ind. Ord. Yield pc.	3.97	3.94	4.67
Ind. Ord. p/e ratio	10.56	10.53	11.73
Long-term Govt. Bds. per cent.	5.50	5.68	6.76

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Rel. Grp. Pf. "C"	163,700	10½	+¼
Gen. Tel. Elec.	135,700	23¼	+¼
House Fabric	115,200	8	−½
Texaco	103,200	24½	+¼
Amer. Tel. Tel.	95,900	48¼	−¼
U.S. Steel	90,200	64⅞	+2½
Inexco Oil	84,200	6⅞	+1
Inter. Tel. Tel.	83,600	20¼	+¼
Sony	82,400	11⅛	+¼
Johnson Johnson	80,700	84¼	−¾

TORONTO

INDUSTRIAL INDEX

Aug. 15	Aug. 14	1975 High	1975 Low
187.05	186.12	196.30 (15/7)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Aug. 15	Aug. 14	1975 High	1975 Low
194.46	194.42	205.61 (15/7)	159.95 (2/1)

COMBINED INDEX

Aug. 15	Aug. 14	1975 High	1975 Low
188.96	188.66	195.90 (15/7)	155.02 (2/1)

JOHANNESBURG

	Aug. 15	Aug. 13	1975 High	1975 Low
Industrials	221.2	225.5	236.9 (16/7)	183.2 (2/1)
Golds	269.9	299.9	379.1 (2/1)	283.2 (15/8)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Aug. 14	Aug. 7	July 31
On Dividends	7.57	7.51	7.53
On Earnings	14.12	14.05	14.15

SYDNEY ALL ORD. INDEX

Aug. 15	Aug. 14	High 1975	Low 1975
361.84	359.92	385.55 (4/8)	289.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Aug. 15	Aug. 14	High 1975	Low 1975
311.52	309.59	333.11 (2/7)	268.24 (10/1)

HONG KONG INDEX ◆

Aug. 15	Aug. 14	High 1975	Low 1975
296.69	299.95	341.57 (9/6)	160.42 (9/1)

SINGAPORE INDEX §

Aug. 15	Aug. 14	High 1975	Low 1975
214.98	216.85	268.69 (11/8)	153.26 (8/1)

EUROPE

	Aug. 15	Previous	1975 High	1975 Low
Belg'm (a)	(c)	102.29	111.81 (10/5)	89.07 (2/1)
Denm'k (b)	93.09	93.26	95.26 (14/8)	73.06 (13/1)
France (d)	(c)	67.6	72.6 (25/4)	51.70 (2/1)
Germ'y (e)	705.0	711.0	726.1 (15/4)	575.5 (2/1)
Holland (f)	92.9	94.1	107.6 (6/5)	85.2 (2/1)
Italy (g)	(c)	(c)	109.86 (21/3)	81.55 (4/8)
Spain (h)	(c)	98.45	110.06 (22/4)	95.40 (4/7)
Sweden (k)	325.86	325.95	391.44 (1/8)	310.06 (9/1)
Switz'rl'd (m)	256.9	259.1	295.1 (6/5)	208.5 (2/1)

Indices and base dates (all base values 100):—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (n) Unavailable. ◆ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. * Adjusted.

AUSTRALIAN WEEKLY LIST

[illegible]

† Buyer. ‡ Seller.

TEL AVIV STOCK EXCHANGE

[illegible]

Source: Bank Leumi Le Israel, Tel Aviv.

HONG KONG

[illegible]

CANADIAN WEEKLY LIST

[illegible]

SINGAPORE STOCKS

[illegible]

JOHANNESBURG

MINES

[illegible]

INDUSTRIALS

[illegible]

AUSTRALIA

[illegible]

OVERSEAS SHARE INFORMATION

NEW YORK

[illegible]

CANADA

[illegible]

Investment premium based on $2.60 per £1—97⅝% (95¼%)

GERMANY ◆

[illegible]

PARIS

[illegible]

AMSTERDAM

[illegible]

BRUSSELS

[illegible]

SWITZERLAND ◆

[illegible]

OSLO ◆

[illegible]

STOCKHOLM

[illegible]

COPENHAGEN

[illegible]

MILAN

[illegible]

TOKYO ¶

[illegible]

Source Nikko Securities Tokyo

VIENNA

[illegible]

SPAIN ▼

[illegible]

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax. ◆ DM50 denom. unless otherwise stated. ♦ Kr.100 denom. unless otherwise stated. ◆ Frs.500 denom. unless otherwise stated. ¥ Yen 50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

AUTHORISED UNIT TRUSTS

REGIONAL MARKETS

Following the merger last year of U.K. stock exchanges, a selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

Albany Inv. 20p	14	...	Craig Ship £1	400	...	Sheff. Refrshmt	141	
Ash Spinning	36	...	Hallam Sleigh 10p	6	...	Shiloh Spinn	24	
Bertam	19	...	Higsons Brew	73	...	Sindall (Wm.)	40	...
Bdg'wtr Est. 50p	105	...	I.O.M. Stm £1	220	...			
Clover Croft	35	...	Holt (Jos.) 25p	178xd	...	**IRISH**		
Craig & Rose £1	310	...	Kleen-e-Ze	26	-2	Alliance Gas (£1)	40	...
Dyson (R.A.)	30	...	Lovell's Shrp £1	129		Carroll (P.J.)	108	...
Ellis & McHdy	58	...				Clondalkin	53	...
Evans Fr'k. 10p	36	...	Nthn. Goldsmith	93	...	Concrete Prods.	60	...
Evered	10	...	P.M.A.	22	...	Goodbody (F.)	32	...
			Pearce (C. H.)	65	...	Heiton (Hldgs.)	33	+1½
Fife Forge	47	...	Peel Mills	16	...	Irish Distillers	62	+2
Finlay Pkg. 5p	16	...	Richards 10p	3	...	Irish Wire	80	...
Frost & Reed 50p	85	...	Robb Caledon 5p	30	...	Jacob	45	...
Gardner & Sons	11	...	Sovers 12½p	6	...	Sunbeam	7½	...
Gardner (L.)	65	...	Sheffield Brick	55	...	Unidare	60xd	...

FINANCIAL TIMES STOCK INDICES

	Aug. 15	Aug. 14	Aug. 13	Aug. 12	Aug. 11	Aug. 8	A year ago
Government Secs.	60.31	60.02	60.28	60.16	59.52	59.73	53.48
Fixed Interest	60.42	60.26	60.10	59.95	59.54	59.87	54.03
Industrial Ordinary	292.7	295.1	294.6	290.0	283.3	278.6	210.5
Gold Mines	351.0	355.5	356.6	356.7	352.9	360.4	375.4
Ord. Div. Yield %	7.06	7.05	7.00	7.10	7.26	7.56	9.43
Earnings Y'ld. % (full)	20.39	20.33	20.31	20.49	20.95	21.25	25.54
P/E Ratio (net)	7.00	7.02	7.05	6.96	6.81	6.71	5.51
Dealings marked	3,811	5,664	4,135	4,208	4,478	4,529	6,250
Equity turnover £m	—	36.45	44.66	52.59	41.07	45.27	38.45
Equity bargains total	—	10,151	11,325	11,322	9,625	11,004	12,156

10 a.m. 290.5. 11 a.m. 291.3. Noon 291.1. 1 p.m. 291.7. 2 p.m. 291.7. 3 p.m. 292.6.

Latest index 01-246 8026.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

HIGHS AND LOWS

	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54	49.18	127.4	49.18
Fixed Int.	62.41	50.65	150.4	50.53
Ind. Ord.	369.5	146.0	543.6	49.4
Gold Mines	442.3	280.2	442.3	43.5

S.E. ACTIVITY

	Aug. 15	Aug. 14
Daily — Gilt-Edged	150.2	150.5
Industries	112.9	115.9
Speculative	31.4	35.6
Totals	86.7	83.4
5-day Average — Gilt-Edged	139.1	128.0
Industrials	130.6	139.4
Speculative	40.0	47.5
Totals	92.6	95.9

FT—ACTUARIES INDICES

	Aug. 15	Aug. 14	Aug. 13	Aug. 12	Aug. 11	Aug. 7	Year ago
Industrial Group	117.59	118.59	118.44	116.50	113.14	112.07	80.27
500 Shares	131.35	132.32	132.59	130.26	126.74	125.08	86.82
Ind. Yield %	6.81	6.76	6.75	6.86	7.05	7.14	9.19
P/E Ratio (net)	6.56	6.60	6.60	6.50	6.50	6.21	5.22
All Share	127.44	128.40	128.46	126.56	123.39	122.26	87.13
Consols yield %	14.10	14.20	14.09	14.09	14.28	14.17	16.16

BASE LENDING RATES

AFI International	10 %	Industrial Bank of Scot.	10 %
Allied Irish Banks Ltd.	10 %	Jacobs, Kroll	11½%
Anglo-Portuguese Bank	10½%	Keyser Ullman	10½%
Henry Ansbacher	10½%	Knowsley & Co. Ltd.	11½%
Banco de Bilbao	10 %	Lloyds Bank	10 %
Banco de Jerez	10½%	London & European	11½%
Bank of Cyprus	10 %	London Mercantile	11 %
Banque du Rhone S.A.	10½%	Midland Bank	10 %
Barclays Bank	10 %	■ Samuel Montagu	10 %
Barnett, Christie Ltd.	11 %	■ Morgan Grenfell	10 %
Bremar Holdings Ltd.	11 %	National Westminster	10 %
Brit. Bank of Mid. East	10 %	Northern Comm. Trust	10½%
■ Brown Shipley	10½%	Norwich General Trust	10 %
Cayzer, Rowsler Co. Ltd.	10½%	Provincial Guaranty	11 %
Cedar Holdings	10 %	P. S. Refson & Co.	10 %
■ Charterhouse Japhet	10½%	Rossminster Accept's	10 %
C. E. Coates	10½%	Royal Trust of Canada	11 %
Consolidated Credits	12 %	Schlesinger Limited	10½%
Continental Trade Bk.	10 %	E. S. Schwab	11 %
Co-operative Bank	10 %	Security Trust Co. Ltd.	11½%
Copleys Bank	11 %	Shenley Trust	11½%
Corinthian Securities	10 %	Standard & Chartered	10 %
Credit Lyonnais	10 %	Sterling Credit	12 %
G. R. Dawes	11 %	Thames Guaranty	11 %
Duboff Brothers	11 %	Trade Development Bk.	10 %
Duncan Lawrie	10½%	Twentieth Century Bk.	11½%
English Transcont.	11½%	United Bank of Kuwait	10 %
First London Secs.	10 %	Wallace Brothers Bank	10½%
■ Antony Gibbs	10½%	Whiteaway Laidlaw	10½%
Goode Durrant Trust	10 %	Williams and Glyn's	10 %
Greyhound Guaranty	10 %	Yorkshire Bank	10 %
Grindlays Bank	10½%		
■ Guinness Mahon	10 %		
■ Hambros Bank	10 %		
Hawtin & Partners	11 %		
■ Hill Samuel	10 %		
C. Hoare & Co.	10 %		
Julian S. Hodge	11 %		

■ Members of the Accepting Houses Committee.

I.G. INDEX GOLD 160½-163½

CORAL INDEX Close 290-295

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

Capital investment is being jeopardised by wild swings in demand. **Lorne Barling reports**

Expensive breaks in the paper cycle

THE WORLD paper industry, experiencing the sharpest fall in demand since 1931, has clearly been shaken by the speed with which the 1973-74 boom collapsed. The industry's investment planners, who are trying to look ahead and advise on capital investment for the future, are now faced with dauntingly complex problems.

The industry has become more and more unpredictable as periods of shortage alternate with damaging surplus, a cycle caused largely by changing economic conditions in the major western countries. The irony of the present depression is that large, modern paper-making machines designed to operate most economically at high capacity have proved expensive loss-makers when running at reduced output: whereas many old machines with their purchase cost already written off and limited capability have been given a new lease of life.

Appetite

On the other hand these outdated machines are inefficient in times of high demand, and inflation has added to the already enormous replacement costs which must be borne if the industry is to keep pace in the long term with the world's voracious appetite for paper products. A new machine can now cost more than £15m.

North American and Scandinavian companies have often wondered aloud whether they are in their right senses to invest such massive sums for a marginal return. It was recently estimated that by 1980 the U.S. industry will need to invest $24bn. at 1974 prices to meet the long-term growth in consumer demand, assuming an average growth rate of 4 per cent. a year. But projected cash flows for the period would *amount to only $16bn.*

With the U.S. producing about half the world output of paper and pulp, and the Canadian forests providing the only significant source of increased raw material supplies in the developed countries, this situation adds further point to forecasts of a long-term shortage during which demand will have to be tailored to supply.

The exact size of the deficit however remains unclear. The unreliability of long-term demand projections based on investment intentions and historical growth rates leaves too much room for error, and reduces the incentive to invest. Even the Food and Agricultural Organisation has made some hurried revisions to its latest five-year forecast after the dramatic events of last year.

Specific

Although it predicts that supply and demand will rise by specific annual percentages until 1977—largely because productive investment which will affect that period is already in train—the "unsettled economic conditions" in producer countries, it said, meant that *forecasts for 1978 and 1979* were subject to changes in Government and company plans.

Previous forecasts by the FAO have proved to be broadly accurate, but the extraordinary coincidence of factors last year which led to simultaneous recession in Western countries has forced the FAO to re-examine overall growth rates. Current production capacity is around 137.5m. tonnes for pulp and 174.6m. tonnes for paper and board, representing growth rates of 4 and 4.5 per cent. respectively over 1974.

Taking into account the three- to five-year gap between planning and completion of a paper mill, the favourable trading conditions in late 1973 and early 1974 are clearly the reason for a predicted jump next year in the growth rates, *which the FAO suggests will be* 4.5 per cent. and 4.9 per cent. The average growth in pulp and paper capacity to 1979 is put at 4.2 and 4.1 per cent. But independent experts now believe that these figures could be revised to a figure as low as 3.5 per cent., when taking into account very reduced growth rates now expected during 1978 and 1979.

Relating these capacity forecasts to expected demand is even more difficult. The FAO predicted that there would be a growing inability to meet *demand. By 1979, it said, the* imbalance would be 9.5m. tonnes of paper and board, resulting from an estimated 7.3m. tonnes shortfall in pulp-producing capacity.

It accepts, however, that a number of factors now make it impossible to rely upon these predictions. First, world demand has fallen rapidly in the past six months and shows little sign of picking up before the middle of next year.

But, second, the FAO now recognises that its demand projection for developing *countries, whose economies* have been stimulated by oil and commodity price rises, have probably been too low. It noted that at present 96 per cent. of all paper and board is produced in developed countries, and stressed the need for greater investment in the Third World. Finally, the input of waste paper into total raw materials is likely to increase by a substantial amount.

The view of Dr. John Vincent, Reed Paper and Board's director of economic planning, is that this adds up to four or five years during which there will be periods of tight supply during economic upswings.

He sees the world market, in which the United States is dominant with two-fifths of total consumption, becoming increasingly fluid, with a growing number of standard products being traded internationally. In the short term, Europe's fragmented industry, with a high proportion of small older machines, may be better able than the Scandinavian and North American giants to cope with very low and fluctuating demand, and companies will remain wary about committing themselves to big investment. But as demand in*creases, smaller machines will* become uneconomic and uncompetitive.

As the FAO has discovered, it is far from easy to establish the precise investment intentions of paper manufacturers. Unless both consumers and producers are prepared to pass on far more detailed information about their plans, through trade organisations to bodies such as the FAO, uncertainty about the future demand-supply ratio is likely to continue, making the cyclical imbalance progressively greater and more damaging.

However, it seems reasonably clear that unless much better forecasts of demand and supply balance can be achieved through maximum co-operation and exchange of information between supplier and customer permissible under anti-cartel legislation, there will be a continuation of uneconomic investment arising from a failure to plan future capacity for which market demand will exist.

The deputy managing director of Reed Paper and Board U.K., Mr. Cyril Warmington, foresees a radical change in attitudes towards the use of paper products as prices increase. He also points to the possibility of rocketing growth of consumption in the emerging nations, striving for greater literacy and industrialisation, as a new factor in the supply demand balance.

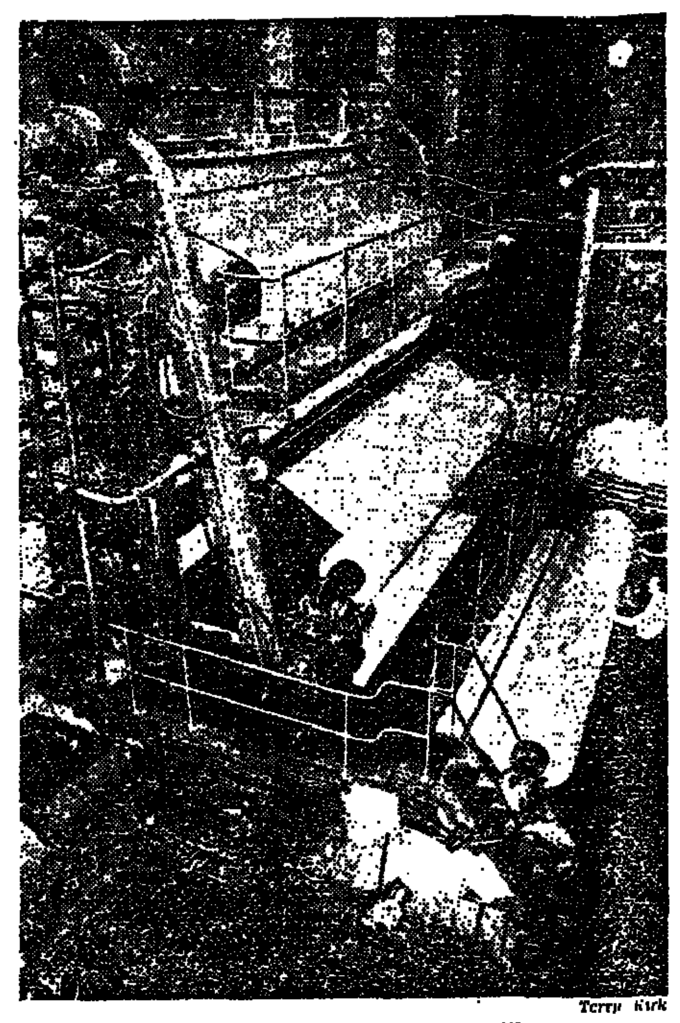
He believes it likely that product cost increases will differ significantly in various major production regions, due to different rates of inflation, and that a great many machines are likely to become uneconomic between five and eight years ahead.

The only ameliorating factor on which most experts seem agreed is that recycled waste paper can and will play a surprisingly important role in providing a substitute for expensive woodpulp. They also believe that governments must eventually play the leading part in initiating improved recovery schemes, such as that in Sweden which will create a legal requirement *for householders* to separate various types of waste material at source.

Leader

Although Europe is ahead of the U.S. with a 23.9 per cent. waste input last year which is expected to rise substantially before the end of the decade, Japan is the leader with around 40 per cent. Its example is expected to be followed in Europe as Scandinavia reduces its exports of market pulp.

Dr. Vincent believes that government-backed schemes to support stockpiles of waste paper will become commonplace in Europe, and will probably be established along the lines of the successful Dutch experiment. But more important, he suggests that Scandinavia will before too long cease to be a net pulp supplier and instead become a major competitor in Europe for recycled fibre. In those circumstances Canada may emerge as the only major pulp supplier for Western countries.



Terry Kirk

Newsprint in production at the Bowater mill at Kemsley, Kent. A new machine can now cost as much at £15m.

Government blamed for depression in dairy industry

BY RICHARD MOONEY

THE GOVERNMENT is blamed for the depressed state of the British dairy industry in a pamphlet published to-day by the Institute of Economic Affairs. Its author, Mrs. Linda Whetstone, criticises the complex policy-forming structure of the industry in which the Milk Marketing Board, the U.K. Government and the EEC all take a hand. Under these conditions "the likelihood of a coherent and stable long-term *policy emerging is remote,*" she declares.

Though the Milk Marketing Board comes in for considerable criticism on its pricing policies, Mrs. Whetstone exonerates it from responsibility for the general state of the industry on the grounds that it does not make major policy decisions.

"The only way for farmers to end the de-stabilising effects of Government interference is for them to opt for a free market rather than for a market in which demand and supply are regulated by Governmental pricing policies," she says, adding that Government forecasts and plans have been "unreliable and incorrect."

Mrs. Whetstone warns that Governments react more slowly than individual farmers would to changing *situations;* "therefore the industry's reactions to surpluses or shortages will be slower than in a free market."

She also criticises the Common Agricultural Policy, which she claims has meant that U.K. taxpayers' money has gone to pay overseas producers while U.K. producers have gone bankrupt, and traces the origin of the present milk shortage to "the infamous EEC butter mountain."

A Ministry of Agriculture statement to-day challenges many of the pamphlet's conclusions. "It is true that the size of the dairy herd and the level of milk production have declined over the past year despite successive increases in producer prices, but this has been largely attributable to massive increases in feed costs reflecting higher world prices for cereals and to difficulties over fodder supplies resulting from two successive seasons of unfavourable weather."

The statement said that successive Governments had taken the view that the Milk Marketing Board operated in the best interests of both producers and consumers.

"The U.K. Dairy Industry since 1970." Price 30p.

Bumper beet crop hopes killed by heat wave

BY RICHARD MOONEY

PROSPECTS OF a bumper U.K. sugar beet crop this year have been virtually eliminated by the recent heatwave and drought.

The British Sugar Corporation, after carrying out tests last week, puts 1975 output at between 800,000 and 850,000 tons. Though this is much better than last year's disastrous 565,000 tons crop, it falls well short of the previous five-year average of 900,000 tons—from a lower acreage.

Even this disappointing forecast assumes that there will be favourable weather and a normal growth progression from now on.

Hot, dry conditions have tended to reduce the weight of U.K. sugar beet roots, but the BSC estimates that the sugar content is 2.5 per cent. up on the five-year average. The number of beet plants per acre is also higher than it has been for many years.

INVESTMENT TRUST COMPANIES

The information in the columns below is supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures, which are in pence except where otherwise stated, are unaudited.

Total Assets *less current liabilities* (1) *£million*	Company * (2)	Shares or Stock (3)	Date of Valuation (4)	Annual Dividend (5)	Net Asset Value *after deducting prior charges* *at nominal value* (6)	*at market value* (7)	Investment Currency Premium (see note g) (8)
				Pence except where £ stated (see note d)			
	VALUATION MONTHLY						
106.4	Alliance Trust	Ord. Stock 25p	31/7/75	5.25	191.2	202.5	30.6
†	Capital & National Trust	Ord. & "B" Ord. 25p	31/7/75	†	†	†	†
6.1	Claverhouse Investment Trust	Ordinary 50p	31/7/75	2.6	61.4	61.4	0.8
6.3	Crossfriars Trust	Ordinary 25p	31/7/75	2.4	63.5	63.5	–
4.8	Direct Spanish Telegraph	Ordinary 25p	1/8/75	3.5	51.9	53.3	5.9
10.8	Dundee & London Investment Trust	Ordinary 25p	31/7/75	1.7	53.8	55.7	4.1
62.1	*Edinburgh Investment Trust*	*Deferred £1*	31/7/75	4.85	182.9	202.0	33.5
30.5	First Scottish American Trust	Ordinary 25p	1/8/75	2.2	x78.9	83.9	14.9
8.2	Grange Trust	Ord. Stock 25p	31/7/75	1.474	66.0	71.5	8.5
45.3	Great Northern Investment Trust	Ordinary 25p	31/7/75	3.06	88.3	91.3	6.9
43.6	Guardian Investment Trust	Ordinary 25p	31/7/75	1.75	68.8	74.4	7.6
62.6	Investment Trust Corporation	Ordinary 25p	31/7/75	4.527	x182.7	190.3	35.6
54.9	Investors Capital Trust	Ordinary 25p	31/7/75	1.0	69.5	76.7	18.4
12.5	Jardine Japan Investment Trust	Ordinary 25p	30/6/75	0.85	125.2	125.2	20.0
4.9	*Kingside Investment Co.*	*Ordinary 25p*	31/7/75	1.75	48.3	49.7	1.7
23.2	London & Holyrood Trust	Ordinary 25p	31/7/75	2.55	96.0	101.5	16.8
16.3	London & Montrose Investment Trust	Ordinary 25p	31/7/75	3.65	161.2	166.4	28.1
31.6	London & Provincial Trust	Ordinary 25p	31/7/75	2.4	95.9	99.1	17.3
87.1	Mercantile Investment Trust	Ordinary 25p	31/7/75	1.61	x34.3	x40.5	8.0
	Do. Do.	Conv. Deb. 1983	31/7/75	£4.50	£54.90	£61.10	£4.50
36.5	Northern American Trust	Ordinary 25p	1/8/75	2.2	x82.1	89.2	16.2
3.4	Save & Prosper Linked Inv. Trust	Capital Shares	1/8/75	–	70.7	70.7	–
35.1	*Scottish Northern Investment Trust*	*Ordinary 25p*	5/8/75	2.3125	76.0	86.9	14.1
75.1	Scottish United Investors	Ordinary 25p	31/7/75	§1.67	81.0	86.4	19.7
34.7	Second Alliance Trust	Ord. Stock 25p	31/7/75	4.2	161.2	172.6	31.6
2.4	Shires Investment Co.	Ordinary 25p	31/7/75	5.6	92.9	92.9	–
23.4	Sterling Trust	Ordinary 25p	31/7/75	3.85	x146.4	162.6	28.9
18.9	Technology Investment Trust	Ord. & "B" Ord. 25p	31/7/75	*2.0	90.8	92.1	17.2
51.2	United British Securities	Ordinary 25p	31/7/75	6.4	218.6	223.1	34.0
	Baillie Gifford & Co.						
83.9	Scottish Mortgage & Trust	Ordinary 25p	31/7/75	2.3	107.5	110.4	21.0
65.0	Edinburgh & Dundee Investment	Ordinary 25p	31/7/75	2.7	133.1	137.7	27.6
41.1	Monks Investment Trust	Ordinary 25p	31/7/75	1.05	48.2	49.7	9.2
11.2	Winterbottom Trust	Ordinary 25p	31/7/75	3.325	181.0	195.7	33.6
	Baring Bros. & Co. Ltd.						
27.8	Outwich Investment Trust	Ordinary 25p	31/7/75	1.75	86.7	97.0	12.4
19.1	Tribune Investment Trust	Ordinary 50p	25/7/75	8.5	714.2	721.5	170.8
	Cripps Warburg Ltd.						
†	Stewell European Inv. Trust	Ordinary 10p	31/7/75	†	†	†	†
2.6	Atlanta, Baltimore & Chicago	Ordinary 10p	31/7/75	0.4	w48.4	w48.4	w6.4
3.2	West Coast & Texas Regional	Ordinary 10p	31/7/75	0.45	w59.7	w59.7	w9.9
	Edinburgh Fund Managers Ltd.						
†	American Trust	Ord. & "B" Ord. 25p	31/7/75	†	†	†	†
13.4	Crescent Japan Investment Trust	Ordinary 50p	31/7/75	–	118.6	118.6	14.2
	F. & C. Group						
12.6	Alliance Investment	Ordinary 25p	15/7/75	3.87	187.9	199.9	33.9
15.0	Cardinal Investment Trust	Deferred 25p	31/7/75	4.25	152.9	163.2	19.4
	Do. Do.	Conv. Loan 1985/87	31/7/75	£6.00	£82.60	£88.10	£10.50
†	City & Gracechurch Inv. Trust	Ordinary 25p	31/7/75	†	†	†	†
	Do. Do.	Conv. Ord. 25p	31/7/75	†	†	†	†
†	F. & C. Eurotrust	Ordinary 25p	31/7/75	†	†	†	†
113.3	Foreign & Colonial Inv. Trust	Ordinary 25p	31/7/75	2.412	143.7	154.4	31.7
16.6	General Investors & Trustees	Ordinary 25p	31/7/75	2.8	96.6	104.1	11.4
	Gartmore Investment (Scotland) Ltd.						
48.4	Scottish National Trust	Ordinary 25p	31/7/75	2.66	127.0	134.5	22.2
12.5	Glasgow Stockholders Trust	Ordinary 25p	31/7/75	2.8	135.8	144.0	25.6
	John Govett & Co. Ltd.						
57.1	Border & Southern Stockholders Tst.	Ordinary 50p	31/7/75	4.5	w260.5	w271.0	w30.3
27.0	Debenture Corporation	Ordinary 25p	31/7/75	2.3	80.0	85.1	11.9
8.0	General Stockholders Inv. Trust	Ordinary 12½p	31/7/75	ac1.125	ac89.1	ac103.1	ac19.7
16.4	Govett European Trust	Ordinary 25p	31/7/75	1.6	77.4	77.4	24.1
41.8	Lake View Investment Trust	Ordinary 25p	31/7/75	1.5	80.2	85.6	12.0
	Do. Do.	Conv. Loan 1973/98	31/7/75	£4.00	£107.00	£114.10	£15.90
23.1	London & Aberdeen Inv. Trust	Prefd. & Defd. 5p	31/7/75	1.55	130.0	143.2	19.1
43.4	Stockholders Investment Trust	Ordinary 25p	31/7/75	ac1.375	ac83.7	ac90.3	ac14.7
	G.T. Management Ltd.						
12.0	Berry Trust	Ordinary 25p	31/7/75	0.6125	x48.2	x49.3	x4.9
	Do. Do.	Conv. Loan 1993	31/7/75	£4.25	£69.80	£71.70	£7.10
†	G.T. Japan Investment Trust	Ordinary 25p	31/7/75	†	†	†	†
5.4	Northern Securities Trust	Ordinary 25p	31/7/75	2.45	101.1	110.5	16.1
	Hambros Group						
33.2	Hambros Investment Trust	"A" & "B" Ord. 25p	31/7/75	*4.25	88.4	103.3	9.5
18.0	Bishopsgate Property & Gen. Inv.	Ordinary £1	31/7/75	1.0	89.8	106.5	0.5
15.8	Bishopsgate Trust	Ordinary 25p	31/7/75	4.6	152.4	165.1	10.0
11.0	Hellenic & General Trust	Ordinary 10p	31/7/75	0.67	44.6	54.0	–
2.5	City of Oxford Investment Trust	Ordinary 25p	31/7/75	2.2	46.9	53.3	0.2
†	Rosedimond Investment Trust	Cap. Shares 25p	31/7/75	–	†	†	†
	Henderson Administration Ltd.						
94.6	Witan Investment	Ord. & "B" Ord. 25p	31/7/75	*1.5	x79.9	x90.1	17.0
14.0	Electric & General Investment	Ordinary 25p	31/7/75	1.0	70.2	79.7	15.4
4.3	Washington Investment Co.	Ordinary 25p	31/7/75	0.85	34.7	38.9	2.6
4.1	Greenfriar Investment	Ordinary 25p	31/7/75	0.95	77.6	77.6	14.2
4.1	Mendip Investment	Ordinary 25p	31/7/75	1.0	73.8	81.7	16.4
4.4	Lowland Investment	Ordinary 25p	31/7/75	1.45	43.9	43.9	2.6
	Philip Hill (Management) Ltd.						
12.7	City & International Trust	Ordinary 25p	31/7/75	2.4	x78.3	85.9	10.9
7.9	General & Commercial Inv. Trust	Ordinary 25p	31/7/75	3.4	108.5	119.3	13.4
14.6	General Consolidated Inv. Trust	Ordinary 25p	31/7/75	2.25	x66.4	70.9	7.6
82.3	Philip Hill Investment Trust	Ordinary 25p	31/7/75	5.0	x139.0	148.1	6.0
2.8	Moorgate Investment Co.	Ordinary 25p	31/7/75	2.025	53.0	56.2	2.5
25.4	Nineteen Twenty-Eight Inv. Trust	Ordinary 25p	31/7/75	5.6	179.8	192.5	31.2
	Ivory & Sime						
60.0	British Assets Trust	*Ordinary 25p*	31/7/75	1.225	50.1	56.8	13.9
22.7	Second British Assets Trust	Ordinary 25p	31/7/75	1.5	154.3	162.1	28.9
29.1	Atlantic Assets Trust	Ordinary 25p	31/7/75	†	xw64.9	xw70.6	xw14.0
	Ivory & Sime (cont'd.)						
9.8	Viking Resources Trust	Ordinary 25p	31/7/75	0.55	78.2	78.2	6.0
	Leopold Joseph & Sons Ltd.						
3.1	Anglo-Welsh Investment Trust	Ordinary 50p	31/7/75	1.37	50.4	52.1	–
	Do. Do.	Conv. Pref. 50p	31/7/75	4.375	50.4	52.1	–
4.5	Leopold Joseph Investment Trust	Ordinary 25p	8/7/75	1.4	x51.4	100.4	0.1
4.4	Thanet Investment Trust	Ordinary 50p	16/6/75	2.37	65.1	68.8	–
	Keyser Ullmann Ltd.						
20.2	Throgmorton Trust	Ordinary 25p	31/7/75	3.5625	38.7	43.5	–
7.5	Throgmorton Secured Growth Tst.	Cap. Loan Stk. £1	31/7/75	–	18.1	73.6	–
	Lazard Bros. & Co. Ltd.						
11.4	Embankment Trust	Ordinary 25p	☐31/7/75	1.95	x72.4	78.1	12.2
39.7	Raeburn Investment Trust	Ord. Stock 25p	31/7/75	3.0	x122.5	130.1	20.8
31.6	Romney Trust	Ord. Stock 25p	31/7/75	2.1	x83.7	89.3	14.7
	Martin Currie & Co., C.A.						
8.1	Canadian & Foreign Inv. Trust	Ordinary 25p	31/7/75	2.4	101.3	106.2	16.9
13.8	St. Andrew Trust	Ordinary 25p	31/7/75	3.25	106.3	113.5	17.0
†	Scottish Eastern Investment Trust	Ordinary 25p	31/7/75	†	†	†	†
17.9	Scottish Ontario Investment Co.	Ordinary 25p	31/7/75	2.7	120.7	123.9	24.2
40.4	Securities Trust of Scotland	Ordinary 25p	31/7/75	4.7	142.1	166.4	26.5
2.1	Western Canada Investment Co.	Ordinary 25p	31/7/75	11.5	468.7	487.5	79.2
	Murray Johnstone Ltd.						
31.0	Caledonian Trust	Ord. & "B" Ord. 25p	31/7/75	*1.3	67.5	72.2	13.2
47.5	Clydesdale Investment Trust	Ord. & "B" Ord. 25p	31/7/75	*1.5	64.5	68.1	12.4
12.9	Glendevon Investment Trust	Ord. & "B" Ord. 25p	31/7/75	*2.1	w77.6	w83.3	w13.9
4.4	Glenmurray Investment Trust	Ord. & "B" Ord. 25p	31/7/75	*1.35	66.2	66.2	14.3
15.9	Scottish & Continental Investment	Ordinary 25p	31/7/75	1.0	w69.5	w69.5	w11.9
52.2	Scottish Western Investment	Ord. & "B" Ord. 25p	31/7/75	§*2.0	81.5	87.4	15.4
16.7	Second Great Northern Inv. Trust	Ord. & "B" Ord. 25p	31/7/75	§*1.6	75.0	80.0	15.3
	Naydale Ltd.						
3.3	Simonside Investment Co.	Ordinary £1	31/7/75	§1.3	x70.1	x72.9	x9.6
	N. M. Rothschild & Sons Ltd.						
4.5	*Equity Consort Investment Trust*	Ordinary £1	25/7/75	5.4225	x134.1	134.3	x3.1
	Do. Do.	Deferred 50p	25/7/75	2.925	x68.3	68.6	x6.3
	Do. Do.	Conv. Loan 1994	25/7/75	£4.75	£93.10	£93.10	£4.30
6.8	Equity Income Trust	Ordinary 50p	25/7/75	7.025	142.3	162.9	5.4
	Schroder Wagg Group						
14.8	Ashdown Investment Trust	Ordinary 25p	31/7/75	2.925	x118.5	130.9	20.0
	Do. Do.	Conv. Loan 1988/93	31/7/75	£4.75	£85.20	£91.70	£14.00
20.4	Broadstone Investment Trust	Ordinary 20p	31/7/75	3.09	x122.9	137.7	20.4
	Do. Do.	*Conv. Loan 1988/93*	31/7/75	£4.50	£84.10	£91.80	£13.60
33.4	Continental & Industrial Trust	Ordinary 25p	31/7/75	4.5	163.9	180.7	27.5
20.2	Trans-Oceanic Trust	Ordinary 25p	31/7/75	3.35	x145.3	158.3	25.2
	Do. Do.	Conv. Loan 1988/93	31/7/75	£4.50	£92.00	£99.00	£15.70
9.0	Westpool Investment Trust	Ordinary 25p	31/7/75	2.125	x86.5	95.4	13.3
	Do. Do.	Conv. Loan 1989/94	31/7/75	£5.00	£81.20	£85.90	£12.00
	Stewart Fund Managers Ltd.						
47.6	Scottish American Investment Co.	Ordinary 50p	31/7/75	1.75	64.3	68.6	9.0
16.4	*Scottish European Investment Co.*	*Ordinary 25p*	31/7/75	1.1	51.4	51.4	7.0
	Touche Remnant & Co.						
64.6	Atlas Electric & General Trust	Ordinary 25p	31/7/75	1.15	48.6	52.2	4.7
22.5	Bankers' Investment	Ordinary 25p	31/7/75	1.9	51.0	56.2	5.5
12.0	C.L.R.P. Investment Trust	Ordinary 25p	31/7/75	1.25	w62.1	w68.1	w7.2
22.0	Cedar Investment Trust	Ordinary 25p	31/7/75	1.7	x58.7	x62.1	x7.3
27.2	City of London Brewery	Deferred 25p	31/7/75	2.0	49.4	54.3	1.7
20.4	Continental Union Trust	Ordinary 25p	31/7/75	1.51	99.7	107.1	13.1
118.7	*Industrial & General Trust*	*Ordinary 25p*	31/7/75	1.14	x43.0	47.9	5.8
25.6	International Investment Trust	Ordinary 25p	31/7/75	1.8	w65.6	w71.9	w8.7
32.4	Sphere Investment Trust	Ordinary 25p	31/7/75	2.04	95.5	102.5	15.1
34.0	Standard Trust	Ordinary 25p	31/7/75	3.93625	129.3	140.3	20.5
24.0	Trust Union	Ordinary 25p	31/7/75	2.0	94.1	100.2	11.3
43.4	Trustees Corporation	Ordinary 25p	31/7/75	2.95	122.1	129.3	12.2
	VALUATION THREE-MONTHLY						
68.8	*Anglo-American Securities*	*Ordinary 25p*	15/7/75	2.15	102.5	110.5	23.0
	Do. Do.	Conv. Loan Stock	15/7/75	£4.00	£102.50	£110.50	£23.00
2.2	Cumulus Investment Trust	Ordinary 25p	31/7/75	0.7	27.8	31.3	3.0
22.7	Hume Holdings	"A" & "B" Shares 25p	30/6/75	*2.7925	67.5	72.0	–
13.5	London Electrical & General Trust	Ordinary 25p	30/6/75	2.25	86.0	92.0	11.7
22.2	London Scottish American Trust	Ord. Stock 25p	31/7/75	3.35	119.8	128.7	20.7
5.0	Oil & Associated Investment Trust	Ordinary 25p	30/6/75	1.625	55.8	57.1	10.3
	Do. Do.	Conv. Loan Stock	30/6/75	£6.25	£126.00	£128.20	£23.30
6.9	*Safeguard Industrial Investments*	*Ordinary 25p*	30/6/75	2.7	57.8	60.3	–
39.2	United States Debenture Corporation	Ord. Stock 25p	31/7/75	2.42	x81.7	86.7	14.3
	Do. Do.	Conv. Loan Stk. 1993	31/7/75	£5.00	£90.80	£93.40	£15.80
	Carliol/Tyneside Group						
15.4	Carliol Investment Trust	Ordinary 25p	31/7/75	2.5	123.7	131.4	26.1
	Do. Do.	Conv. Loan 1994/99	31/7/75	£4.50	£106.40	£113.00	£22.40
9.0	Tyneside Investment Trust	Ordinary 25p	31/7/75	2.5	120.4	126.3	23.6
	Do. Do.	Conv. Loan 1994/99	31/7/75	£4.50	£103.50	£108.80	£20.30
	East of Scotland Investment Mngrs.						
34.3	Aberdeen Trust	Ord. Stock 25p	30/6/75	3.35	131.5	142.5	23.5
9.1	Dominion & General Trust	Ordinary 25p	31/5/75	5.25	184.5	198.8	44.5
21.4	Pentland Investment Trust	Ordinary 25p	31/5/75	2.65	108.2	114.7	25.0
	Electra House Group						
129.6	Cable Trust	Ordinary 25p	30/6/75	4.2	148.8	150.0	15.4
	Do. Do.	Conv. Loan 1985/90	30/6/75	£6.25	£121.90	£122.90	£12.60
107.0	*Globe Investment Trust*	Ordinary 25p	30/6/75	2.7	x93.6	x102.3	x8.4
	Do. Do.	Conv. Loan 1987/91	30/6/75	£5.50	£78.10	£81.10	£6.70
35.1	Electra Investment Trust	Ordinary £1	30/6/75	19.2	833.0	859.3	114.7
17.3	Telephone & General Trust	Ordinary 25p	30/6/75	6.5	x161.6	x173.8	x11.0
	Do. Do.	Conv. Loan 1987/91	30/6/75	£6.00	£64.80	£69.70	£4.40
8.3	Temple Bar Investment Trust	Ordinary 25p	30/6/75	4.5	x115.2	x123.4	x9.4
	Do. Do.	Conv. Loan 1985/90	30/6/75	£5.75	£81.30	£87.10	£6.60
	Kleinwort Benson Ltd.						
18.6	British American & General	Ordinary 25p	31/7/75	1.2	x34.5	36.4	4.9
29.4	English & New York	Ordinary 25p	31/7/75	1.7	66.7	69.6	11.4

*Applies to Ordinary "A" Ordinary only. §—includes special dividend. ac=adjusted for scrip issue. ar=adjusted for rights issue. † Company will announce year-end or interim results shortly. x w see note (h) below. ☐ Valuation Two-monthly.

Notes:—

(a) Cols. 1, 6, 7 Quoted investments are valued at mid-market prices; unquoted at directors' valuation; both include 100 per cent. of any investment currency premium after taking into account the premium on any surplus or on any shortfall of foreign currency assets against foreign currency loans.

(b) Cols. 1, 6, 7 All revenue account items are excluded.

(c) Cols. 1, 6, 7 No account has been taken of any liability in respect of taxable gains which might arise on future disposal of investments.

(d) Cols. 5-8 Amounts are per share/stock unit or per £100 Convertible Loan Stock. Column 5 precisely stated; columns 6-8 to nearest one-tenth of a penny per share and 10p per £100 Convertible Loan Stock.

(e) Col. 5 Dividend is the last declared annual dividend or firm forecast, excluding imputation credit. Interest on loan stocks is stated gross of income tax.

(f) Cols. 6-7 Prior charges are deemed to include preference share capital.

(g) Col. 8 The amount per share/stock unit represented by 100 per cent. of the investment currency premium applied in calculating the valuation for cols. 1, 6 and 7.

(h) Cols. 6-8 Convertible loan/preference stocks and warrants or subscription rights are treated in the way which produces the lower n.a.v. per share. Convertible stocks are treated as fully converted at the rate for the next conversion date, or where a figure is marked "x" as prior charges; warrants or subscription rights are treated as exercised, except where a figure is marked "w".

AITC

A booklet "Investing in Investment Trust Companies" is available from: The Association of Investment Trust Companies, Park House (6th Floor), 16 Finsbury Circus, London, EC2M 7JJ.

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Sperry Univac in £5m. Soviet deal

BY ROY LEVINE

THE BIGGEST Soviet computer order placed in the West has been won by Sperry Univac in a £5m. contract to supply an international reservation system for Aeroflot, the world's biggest airline.

This was announced in London last week by Mr. Rom Slimak, general manager of U.S.S.R. marketing. The contract was signed in June, 1974, but it has taken over a year to get an export licence from the U.S. Department of Commerce necessary for deals with the Soviet Union as well as clearance from NATO.

The Univac 1106-II multi-processor will be the first large-scale system to be used for real-time applications in Russia. It will be used for international reservations for supersonic flights by Aeroflot and the Moscow Olympics in 1980.

But the system can be expanded to handle Aeroflot's internal traffic, which involves 93m. passengers a year, bigger than the major Western European airlines combined. That contract is worth an estimated £25m.

Since the reservation system will be based on the system operated by Air France, also on a Univac computer, Air France will supply the software. The central processor will be tested in Paris before being installed at the Aeroflot computer centre presently being built in Moscow. It is expected to be operational towards the end of 1976.

Training of staff will be carried out in both centres and also in London for engineers.

Sperry Univac won the contract in competition with IBM. These two companies share almost all of the computer systems used by airlines for passenger reservations.

As a prelude to its negotiations, Sperry Rand Corporation signed a co-operation agreement with the U.S.S.R. State Committee for Science and Technology. It also staged an exhibition of all its products in Moscow.

Apart from the computer contract there has been some spin-off in other Sperry divisions including the supply of harvesting machinery, industrial products and marine navigation systems for merchant vessels. And there could be more to come. It is known, for instance, that Aeroflot is keen to instal a computer system for air traffic control.

In another deal, Honeywell has won a large computer order in Denmark. Copenhagen Telephone Company (KTAS) has bought a dual 66/40 at a cost of nearly £2m. exclusive of terminals. The system will be delivered in two stages, the first in September and the second early in 1977. A network of some 300 terminals is planned.

The computer will handle, among other things, all orders for new telephones and the billing of the company's 840,000 subscribers amounting to some 4m. bills a year. It may also be applied to updating the company's cable network, simplify fault finding and assist in project planning.

● Stockbrokers Simon and Coates has sold a three-year lease on its ICL 1902S computer to BOC Datasolve which will market the service to City stockbrokers.

The deal, for an undisclosed sum, was announced last week. Datasolve is a subsidiary of British Oxygen and is involved in computer bureau and facilities management. "The deal will help us get into the the stockbroking market," commented Mr. Chris Wood, general manager.

Datasolve has a turnover of more than £6m. a year and only 17 per cent. of that is generated inside the BOC group. There are 18 salesmen, four of whom are in the City office who will be helping to market the services. Essentially, the Simon and Coates system is for accounts—the facility used for investment research is not included in the deal.

Overland transport to Lagos planned

BY STEWART DALBY

TERMINAL TRANSPORT Services, of London, will begin operating an export service in September from any part of England to any part of Nigeria, with the goods to be carried mainly overland.

Cargoes will cross the English Channel by ferry, be driven in trailers through France and Italy to Genoa and then go by sea to Algiers, from where it will go overland through Algeria to Lagos, a journey of 3,000 miles involving some hazardous terrain.

The charge for the 6,000-mile trip, which should take three weeks, is £8,000 for a full trailer load of 18 to 20 tons, or approximately 72 cubic metres. This excludes insurance, and is, according to Mr. Michael Boxer, Terminal Transport's managing director, "more than the cost of shipping goods by sea."

The viability of the project rests in the fact that Lagos port is "hopelessly congested," according to Mr. Boxer. There is a waiting list of at least three months for ships wanting to berth, he said. The new post-coup Government could change this, but for the moment it seems unlikely.

Mr. Boxer claims that Terminal Transport has won an exclusive contract from the Algerian Government, and that Algerians will be doing most of the transporting. From Algiers cargoes will travel in sealed containers pulled by special "sand tractors." The convoys will have special air conditioning and water cooling facilities.

Mr. Boxer claims that if the scheme works it will be the first time goods have ever been successfully exported to Nigeria overland.

Other attempts have been made, according to Mr. Boxer, but "they have usually become bogged down in the sand. People do not seem to have realised how difficult the road is. It has to go over some very difficult terrain."

In order to smooth the passage of the convoys as far as possible, Terminal Transport has entered into collaboration with Trans Sahara, which will go ahead of the trucks in scout cars and Range Rovers looking for difficulties. These could range from road blocks, sandstorms to problems with mountain bandits.

Interest

Terminal will be working on extremely tight margins, so it must conjure up a large volume of business fairly quickly. So far, Mr. Boxer says, 100 British companies have expressed interest. Terminal has access to 50 trailers in Britain, and Mr Boxer says that in the short term the company will "be pushed" if it has to send off more than this number a week.

Although Britain's share of the Nigerian market has fallen from 45 per cent. 15 years ago to 25 per cent. to-day, for the first four months of this year exports from Britain to Nigeria amounted to £131m. compared with £55m. in the comparable period last year.

For 1974 as a whole exports to Nigeria amounted to £222m. while imports into Britain were £368m.

Cash now, say Court Line victims

MR. REG LAW, chairman of the Court Line Action Group, has called for holiday-makers who lost out after the company failed last year to be compensated immediately.

"Surely now that the Government has given the £15m. to the Air Travel Reserve Fund Agency it should now be possible for these victims to be paid out immediately?" he said.

"Irrespective of whether there is to be a test case to ascertain the rights of the liquidator in respect of that money held by travel agents, the end of the story must be the same—that all the victims are entitled to their 100 per cent. repayment as laid down in the Government Bill."

Imperial Tobacco raises its prices again

FINANCIAL TIMES REPORTER

IMPERIAL TOBACCO is putting up the price of its leading cigarette brands and other tobacco products for the second time this year from to-day. The recommended retail price of best-selling names such as Player's No. 6 and No. 10 and Embassy filter go up by ½p on a packet of 20, as do untipped Woodbine and Player's Medium Navy Cut.

However, the company is not raising the price of its king-size brands. Player's No 6 Kings remain at 46p for 20, as do Embassy Kings and the extra mild version of the Embassy king size. John Player Special and Carlton King Size stay at 48p for 20.

Cigars and tobaccos in the Imperial range are also going up in price. Wills Golden Virginia goes up by 1p an ounce to 62p, while Three Nuns also rises 1p to 70p. Ogden's St. Bruno Flake, Sun Valley and Gold Block all have their recommended retail prices increased by 1p an ounce.

Among the cigars Embassy Miniature and Tom Thumb each go up by 2p for 10 to a new recommended price of 47p, while at the other end of the spectrum Embassy Half Coronas go up by ½p each to 18½p.

Imperial blames the increases on the continuing pressure of inflation on costs. The company states that, as required, the increases in its trade prices have been pre-notified to the Price Commission.

Examples of the new recommended prices for Imperial's leading cigarette brands are: Player's No. 10 filter 31p for 20; Embassy Filter 42p for 20; and Player's Medium Navy Cut 51½p for 20.

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS AND HIRE PURCHASE

1975 High	1975 Low	Stock	Price	+ or -	Div Net	Cvr	Yld Gr's	P/E
5c?	48	Clive Dis'nt 20p	49	....	3.0	—	9.4	—
285	144	Com'l Aus. ($A1)	215	...	Q14%	—	3.7	—
[illegible]	£10⅜	Com'zbk DM100	£12⅝	.....	Q17%	—	2.4	—
[illegible]	£17½	Chgn Hbk Kr100	£23	....	Q11%	—	3.8	—
19	7	Corinthian 10p	7		—	—	—	—
[illegible]	£10½	Cred. France	£23½	-½	Q9.7%	—	3.4	—
152	135	Dawes (G.R.)	133#	..	5.25	2.9	6.1	8.6
26½	9	Dawnay Day	15	..	‡1.21	1.3	‡	9.7
70	25	F.C. Finance	30	.....	1.57	—	8.1	—
11	2½	First Nat. 10p	4½	+½	1.05	—	35.9	—
[illegible]	[illegible]	Do. Wrnts. 75-83	2¼	...	—	—	—	—
17½	[illegible]	Fraser Ans. 10p	10½	......	0.76	—	11.1	—
310	[illegible]	Gerrard Natnl	235	....	12.18	—	8.0	—
[illegible]	[illegible]	Gibbs (A.)	40	.....	1.65	—	6.4	—
[illegible]	[illegible]	Gillett Bros. £1	140	..	†6.7	—	7.4	—
[illegible]	15	Goode D't Mry. 5p	16	..	0.79	4.1	7.6	5.0
78	[illegible]	Grindlays	40	-2	1.69	—	5.0	—
150	55	Guinness Peat	138	-2	7.11	—	7.9	—
218	58	Hambros	185	.....	7.1	—	5.9	—
[illegible]	3	[illegible]stin 10p	3¼#	...	‡0.67	3.0	‡	1.6
95	23	Hill Samuel	78	-2	3.56	—	7.0	—
[illegible]	200	Do. Warrants	750		—	—	—	—
250	112	Hong Shng $2.50	212	-4	¶20.8	—	2.8	—
65	40	Jessel Toynbee	58	......	4.0	—	9.0	—
240	78	Joseph (Leo) £1	215	.....	6.42	—	4.6	—
85	[illegible]	Keyser Ullmann	51	......	1.1	—	3.3	—
65	30	King & Shax 20p	48		2.84	—	9.1	—
125	30	Kleinwort B.L.	94	-6	3.19	—	5.3	—
[illegible]	[illegible]	Lloyds £1	190	-3	†6.93	6.0	5.6	4.6
[illegible]	13	Manson Fin. 20p	26	...	3.25	φ	20.4	φ
[illegible]	10	Mercantile Credit	20½	-¼	φ‡1.12	4.2	‡	4.7
[illegible]	[illegible]	Do. Sp. Conv. 1980	£83	...	Q4%	7.0	f11.5	—
[illegible]	[illegible]	Mercury Secs.	108	..	2.76	—	3.9	—
305	[illegible]	Midland £1	220	-4	t10.76	2.1	7.3	10.0
[illegible]	[illegible]	Do. 7½% 83-86	£72	-1	Q7½%	15.0	f10.5	—
£81	[illegible]	Do. 10½% 93-98	£75		Q10½%	15.0	e14.0	—
[illegible]	[illegible]	Minster Assets	38	-½	2.73	2.3	11.1	6.1
305	[illegible]	Nat. Bk. Aust. $A1	225	-2	[illegible]	—	4.1	—
[illegible]	[illegible]	Nat. Com. Grp.	55	..	2.02	5.5	5.6	5.0
275	[illegible]	Nat. West £1	200	-3	8.28	3.1	6.4	7.7
[illegible]	105	Schroders £1	375	+5	8.73	—	3.6	—
[illegible]	[illegible]	Seccombe M.C. £1	230	.	h12.73	—	8.9	—
108	27	Slater Walker	58	-3	5.26	—	13.9	—
[illegible]	23½	Smith St. Aub.	48	...	h3.63	—	11.6	—
510	210	Stand. & Chart. £1	443	-2	13.29	4.0	4.6	7.1
[illegible]	[illegible]	Trade Dev. $1.50	56½	..	Q44c	—	6.8	—
103	55	Trst. Bk. Afr. 50c	88	+4	φQ14%	φ	5.2	φ
330	157	Union Disc. £1	283	.	†16.08	—	8.7	—
55	11	U.D.T.	17	...	B1.6	1.5	14.5	3.4
[illegible]	£10⅛	Wells Fargo $5	£11¼	-⅜	Q96c	—	1.9	—
68	42	Wintrust 20p	62	+1	2.92	φ	7.2	φ

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Cont.

FOOD, GROCERIES, ETC.

HOTELS & CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

هكذا من الاصل

INDUSTRIALS—Continued

[illegible]

INDUSTRIALS—Continued

[illegible]

††INSURANCE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING, ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPBUILDERS, REPAIRERS

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

TRUSTS—Continued

[illegible]

Finance, Land, Etc.

[illegible]

OILS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

CENTRAL RAND

[illegible]

EASTERN RAND

[illegible]

FAR WEST RAND

[illegible]

O.F.S.

[illegible]

FINANCE

[illegible]

DIAMOND AND PLATINUM

[illegible]

CENTRAL AFRICAN

[illegible]

AUSTRALIAN

[illegible]

TINS

[illegible]

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
112	56	Botswana RST R2	70	+4	—	—	—
390	196	Messina R0.50	350	......	‡Q50c	2.9	‡

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Charterhall 5p	52½	−½	—	—	—
115	23#	Colby Mines $1	23#	−47	—	—	—
760	360	Cons. Murch. 10c	690	+10	†Q130c	2.2	‡
53½	29½	Laurasia	43½	−1	—	—	—
19	11	NRD $1	13	......	—	—	—
375	200	Northgate C$1	277	+2	Q65c	1.0	10.1
211	80	R.T.Z.	169	−4	4.97	4.4	4.6
135	47½	Sabina Inds. C$1	76	−4	—	—	—
81	51	Stanford Mines ‖	68	+3	—	—	—
£12½	875	Tara Expln. $1	£10⅔	+⅛	—	—	—
78	38	Yukon Cons C$1	66	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures: they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted *inclusive of the investment dollar premium.*

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ♦ Figures or report awaited.
- †† Banks and Insurance, reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issues: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty
- ♦ Merger bid or reorganisation in progress.
- ☆ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- ‡ Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ▼ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 15

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

FINANCIAL TIMES

Monday August 18 1975

Bangladesh hint of renewed Muslim ties with Pakistan

BY KEVIN RAFFERTY, ASIA CORRESPONDENT

BANGLADESH'S NEW Government yesterday began settling in and reviewing relations with its neighbours. Already, within days of the change of regime, there have been indications of strains with India and a blossoming of the old Muslim connections with Pakistan.

In the country itself the new leaders appeared to be firmly in command after Friday's army-backed overthrow and killing of the nation's former leader and founding father, Sheikh Mujibur Rahman. Normal communications with the outside world remained cut, but diplomatic and other reports indicated that there had been no serious opposition to the takeover.

The new Government was confident enough to lift the 24-hour curfew, though in the main towns a curfew will continue between dusk and dawn. Dacca Radio reported that the country was returning quickly to normal. Domestic air services, and road, rail and water transport had been resumed.

Sheikh Mujib was buried on Saturday with full honours in his home village of Tongipara. According to the latest reports Sheikh Mujib's wife, two sons, brother-in-law, and nephew, Sheikh Moni, were all killed with the former President in the coup. But Dacca Radio said last night that the former Prime Minister, Mr. Mansoor Ali, had met the President, Mr. Khondakar Mushtaque Ahmed. Earlier reports had suggested that Mr. Mansoor Ali had also been killed.

Pakistan, the former ruler of Bangladesh from 1947 to 1971, when it was the eastern wing of united Pakistan, quickly followed up its initiative of being the first country to recognise the new regime. After Mr. Zulfikar Ali Bhutto's gesture of much-needed supplies of rice and clothing worth $50m., the Pakistan Prime Minister directed his ambassadors abroad to urge other nations to recognise the new Government.

Saudi Arabia, the most important Muslim nation, promptly did so, having withheld recognition from Sheikh Mujib for more than three years.

Some doubts appeared yesterday, however, over whether Bangladesh had been redesignated an Islamic republic. In an independence day message to Indonesia, Mr. Khondakar Mushtaque was described as President of "the People's Republic of Bangladesh," the country's old name.

The Pakistan Times, a newspaper with heavy official guidance, described the overthrow of Sheikh Mujib as a political defeat for India. "Sheikh Mujib," it said, "has succumbed to the Frankenstein's monster that he himself had created."

From India, there were words of sorrow about the downfall of Sheikh Mujib, but no word about recognition which some observers see as a serious sign. An official spokesman of the External Affairs Ministry in New Delhi expressed grief at the "tragic death of Sheikh Mujibur Rahman who led the national struggle for liberation with steadfastness and courage. We held him in high esteem in India as one of the outstanding personalities of our time."

India helped Bangladesh to win its freedom from Pakistan and under Sheikh Mujib's three and a-half year regime was one of his staunchest friends. When Sheikh Mujib announced his Emergency and plans for a one-party State some experts saw it as a dry run for India. Other observers have seen close parallels between Sheikh Mujib's Bangladesh and Mrs. Indira Gandhi's India.

Sor far there has been no word from Bangladesh about India, but President Khondakar Mushtaque has thanked Mr. Bhutto for his good wishes and I understand there have been other diplomatic exchanges between Pakistan and Bangladesh.

TUC and public posts: PM looks at complaint

By John Elliott, Labour Editor

EXTENSIVE CHANGES to the way union leaders are appointed to public bodies are now being considered by the Prime Minister and the TUC after union dissatisfaction over the operation of an eight-year-old system fixed by the last Labour Government.

A complaint was lodged by the TUC with the Prime Minister two months ago about certain appointments and about the fact that these were sometimes made on a personal basis rather than after consultation with the TUC.

At the time, Mr. Tom Jackson of the Post Office Workers had just been appointed to the board of BP, a seat some union leaders felt should have been filled by a representative of the power unions.

Two other appointments projected at the same time have however failed to emerge. First, Sir David Davies, who was on the brink of being appointed a director of the British Steel Corporation when he retired as general secretary of the Iron and Steel Trades Confederation is now unlikely to receive the post, partly due to union opposition and to his age — he is 66. Secondly the appointment of Mr. Les Buck of the Sheet Metal Workers who was lined up for the board of Alfred Herbert has also failed to materialise.

Now the TUC wants a bigger say in the appointments through its general secretary Mr. Len Murray, as well as through its own industrial and regional committees and through unions' own individual groupings where they are not directly linked together by the the TUC.

The aim is to ensure that people are appointed who would feel directly linked with their unions and the TUC — which personal appointees would not. In addition it would mean that union officials with special knowledge would receive appropriate appointments and that the TUC would expect a regular flow of information to be passed back to it.

These appointments would cover general public boards such as the National Enterprise Board, the Monopolies Commission, Industry Economic development committees and other organisations like the Potato Marketing Board. In addition nationalised and other Government-backed undertakings such as the BSC, British Leyland and BP, would also be affected.

Here the idea would operate alongside the TUC's parallel policy for half the seats on the boards of industries in the public sector to be filled by men elected by union members. The other half of the boards would be appointed by the Government and could also include the type of TUC-cleared union appointments now being discussed with the Prime Minister.

A brief account of the TUC's contact with the Prime Minister appears to-day in the TUC's annual report for the past year.

THE LEX COLUMN

Problems ahead on money supply

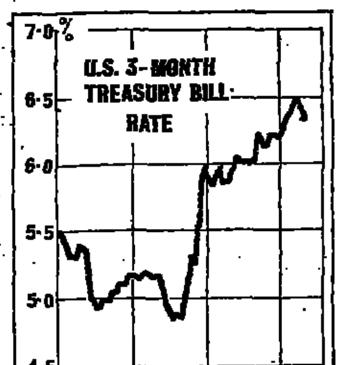
For the moment the U.K. money supply figures—published to-day for July—are overshadowed in importance, even for domestic purposes, by those of the U.S. If M1 rises in the U.S. by more than the 5-7½ per cent. annual target rate set by the Federal Reserve then the Fed imposes a squeeze, and this is the well-known reason for the jump in U.S. money rates since mid-June. Since the Bank of England has apparently decided to hitch U.K. rates to those of the U.S. as a defensive mechanism for sterling, domestic conditions now have comparatively little impact on the level of short-term money rates in London.

So special attention is given on Thursdays to the U.S. M1 statistics. Last week's statement showed a rise of $1.9bn., reversing the declines of the previous two weeks. This has taken M1 back to its previous peaks of June and July, and while the increase is not on a serious scale it certainly means the Fed will not be able to relax its stance for some weeks to come. And any further upward fluctuations might even produce some further tightening, though on balance it still looks as though the Fed has got the money supply back on the rails.

In the U.K. there was a slight spurt in M1 during the four weeks to mid-July, but the annual rate for the latest three months is still fairly modest (by our standards) at 14 per cent. or so. And the broader M3 measure has scarcely changed since May on a seasonally adjusted basis. These apparently satisfactory trends, however, disguise the rapid build-up of lending potential in the banking system—to get an idea of that it is necessary to look at the jump in the reserve asset ratio of the banking system from 13.7 per cent. to 15.0 per cent. in the past two months.

The redemption of Savings 3 per cent. on Friday and the arrival of Treasury 6½ per cent. 1976 within the one-year band on the same day will have had the effect of boosting the ratio further. So will the continued reliance of the Government upon short-term finance—this Friday's net issue of Treasury Bills will be £110m., for example. The banks increased their holdings of Treasury Bills by no less than £690m. between mid-May and mid-July, a figure which itself is 2 per cent. of eligible liabilities.

In the absence of any revival in private sector credit demand the Bank of England may be able to let these trends run on for some months yet, despite the curious effects in the money market, where Treasury Bills sometimes yield more than private sector paper. What might conceivably push the Bank into exerting formal pressures in the next few weeks—such as through a special deposits call—would be either a further rise in U.S. rates or a tendency for London rates to drift back under the pressure of surplus liquidity (indeed, the Treasury Bill rate did ease a fraction on Friday). But there can be little doubt that in the slightly longer term the Bank will be forced to take drastic action to head off a potential money supply explosion.



So long as the economy remains in deep recession the Government will have no basic problem in financing itself at relatively low interest rates, but it has serious difficulties over debt maturity. Already, through its gilt-edged sales in the first quarter and again in July, the Bank of England must have mopped up most of the spare liquidity in the long term institutions. Now the liquidity is piling up in the short term institutions, and these will not usually be in the market for long term debt, although the banks and building societies may be customers for gilts of shorter maturities. Banks bought £100m. of gilts in the month to mid-July.

The daunting task is to finance the public sector financial deficit—which according to the latest figures is still running well above budget—in a non-inflationary way, without squeezing out a private sector revival. It must be impossible under the present rules, so a return to the credit directives and ceilings of the 1960s looks probable.

The implication for interest rates may be that the U.S. influences at the short end in the next few months will be replaced by domestic factors after, say, the turn of the year. The yield curve can be expected to flatten, though selling pressure from the Government Broker will prevent any great yield decline at the long end of gilts. But the system can only be brought into balance if ways are found of achieving a substantial cut in the public sector's financial deficit.

Overseas profits

The recessionary threat to U.K. profits has become a major preoccupation in the market since "The attack on inflation" White Paper was published just over a month ago. Of course the company sector as a whole has a substantial proportion of overseas earnings: according to the official figures, nearly two-fifths of its attributable income, net of stock appreciation, arose abroad last year. But the suspicion is that these global figures might be distorted by the performance of just a few very large companies — the oil majors, for instance.

A new analysis by brokers Phillips and Drew, however, suggests that overseas earnings are evenly spread across nearly all the industrial sectors. Including profits on exports—where crude estimates have been made on the basis of overall group margins — the brokers calculate that roughly half the pre-tax profits earned by FTA Industrial Group arise overseas, of which exports account for about an eighth. In attributable terms, the proportion would be lower since minorities tend to arise more frequently in overseas subsidiaries. Still, 13 of the 22 sectors in the group made half or more of their pre-tax profits overseas, and only five relied on the U.K. for more than three-fifths of their profits. These were food retailing, construction, electronics, breweries and stores.

This overseas bias has actually damaged the performance of some companies this year—in the textiles sector, for instance. The hope is that in 1976 it will provide valuable compensation for a poor trend in U.K. earnings—which is why the brokers are sticking to their projection of a 10-15 per cent. increase in overall profits next year.

APEX in 'Buy U.K. cars' drive

By John Wyles, Labour Reporter

A "BUY BRITISH cars" campaign is being launched to-day by the Association of Professional, Executive, Clerical and Computers Staffs, one of the motor industry's major white collar unions, which claims that 12,000 jobs will be lost at the four main car manufacturers this year if foreign car sales continue at present levels.

This estimate is drawn from an APEX study into job prospects in the car industry whose gloomy findings could step up union pressure on the Government to take firm action to cut foreign car imports, particularly from Japan. The TUC has already told the Government it would like to see the problem tackled by import controls, and is seeking another meeting with Ministers to press its case.

Claiming 30,000 members employed by the four companies and associated suppliers, APEX has written to Mr. Peter Shore, Trade Secretary, calling for a restriction on car imports from Japan to the same value as Britain's car exports to Japan, and an approach to the EEC to restrict temporarily the level of car imports from Europe.

Part of APEX's campaign against imports will feature the distribution of 500,000 "Buy British Cars" badges and stickers throughout industry. Announcing this yesterday, Mr. Ray Edwards, the union's assistant general secretary, said it was important for people to take a pride in Britain.

With the latest figures showing foreign car sales in Britain at 40 per cent. in the first 12 days of this month, Mr. Edwards predicted a "catastrophic" loss of jobs if the trend continued. "Anyone buying a foreign car shows a complete lack of faith in the British workers. One man's Datsun is another man's redundancy."

APEX's study of job prospects in the entire car industry says 450,000 jobs might be lost by 1980, caused first by depressed demand and then from 1977 onwards a possible 5 per cent. per annum increase in productivity with the revival of the car market.

The union's forecast of 12,000 redundancies this year solely because of imports is based on an estimate that 103,000 more imported cars will be sold this year, since British manufacturers produce some eight cars per worker-year.

Money supply up 2½%, bank liquidity rises

BY MICHAEL BLANDEN

THERE was a renewed substantial rise in the level of the money supply on the narrower definition (M1) last month, but the general picture of an overall increase below recent inflation rates is unchanged.

Over the past three months as a whole, M1 has risen by about 3½ per cent., equivalent to an annual rate of increase of some 15 per cent. On the wider definition of money stock (M3), which includes bank deposit accounts, the increase has been less rapid. In the latest three months M3 has risen by only 1½ per cent.

In the month to mid-July, M1 jumped by a full 2.5 per cent., for reasons which do not seem very clear. This, however, followed two months of exceptionally small increases, and it is felt that the July rise may merely reflect an evening out of erratic short-term influences so that the last three months together probably give a reasonable indication of the underlying trend.

THE CHANGES IN MONEY SUPPLY
(Seasonally adjusted totals and percentage monthly changes)

1974	M1	% change	M3	% change
	£bn.		£bn.	
July 17	12.55	+1.4	34.57	+3.1
Aug. 21	12.69	+1.2	34.93	+1.0
Sept. 18	12.71	+0.2	34.98	+0.2
Oct. 16	12.90	+1.4	35.15	+0.5
Nov. 20	13.00	+0.8	35.58	+1.2
Dec. 11	13.22	+1.7	35.83	+0.7
1975				
Jan. 15	13.71	+3.4	35.97	+0.4
Feb. 19	13.67	−0.3	36.51	+1.0
Mar. 19	13.94	+2.0	36.85	+0.9
April 16	14.25	+2.3	36.92	+0.2
May 21*	15.08	+0.7	37.46	+1.5
June 18	15.11	+0.2	37.37	−0.3
July 16	15.49	+2.5	37.49	+0.3

M1 includes notes and coins in circulation plus private sector sterling right deposits.
M3 includes M1 plus other items, the main one being bank deposit accounts. Source: Bank of England
* On new basis

After a slight fall in June, M3 has risen in the latest month by a modest 0.3 per cent.

The Bank of England statistics show there was a sizeable rise in sterling deposits from outside the banking system during the four weeks to mid-July. Sight deposits rose by £255m. and time deposits by £394m.

The time deposit figures, however, include substantial amounts of interest credited at the end of the half year. Half-yearly interest charges also contributed substantially to a sharp rise of £779m. in sterling advances by the banks.

The central Government borrowing requirement was again sizeable during the period, and, although it was partly met by sales of gilt-edged stock to the non-bank private sector and by issues of national savings securities, the banks' holdings of Treasury bills rose by as much as £350m.

This contributed to a further rise in the banks' liquidity, with their combined reserve ratio up from 14.6 per cent. to 15 per cent. The banks also increased their holdings of gilt-edged by £101m.

The sterling value of assets and liabilities denominated in foreign currencies again rose sharply. But the fall in the value of the pound affected these items, and it is thought that this probably accounted for about half the total rise of £4½bn. in other currency deposits.

After making seasonal adjustments, it is reckoned that domestic deposits with the banking sector as a whole rose by some £45m., while sterling lending to the private sector fell by about £50m. This suggests, the Bank argues, that although the demand for bank finance remained sluggish, the large fall reported in the previous month exaggerated the underlying trend.

Sterling lending to the public sector, on the other hand, continued to rise, by about £375m. after seasonal adjustment.

£5m. boost for Westmoreland

BY NICHOLAS LESLIE

WESTMORELAND Investments, the property group largely owned by institutions and its directors, has received a further £5m. of financing from the Electricity Supply Industry's Superannuation Schemes, its largest shareholder.

This is disclosed in Westmoreland's latest report and accounts for 1974. Westmoreland's investments include the Times Building in Gray's Inn Road, headquarters of The Times and Sunday Times newspapers.

The report and accounts show that like other property companies Westmoreland suffered from the decline in the property sector. A £10m. general provision has been made against the fall in the value of the property portfolio since it was valued on December 31, 1973, and that certain properties have also been written down "in the light of post-balance sheet events."

Foreign loans

Westmoreland, which saw 1974 pre-tax profit fall from £1.93m. to £1.55m.—its interest charge went up from £5.89m. to £9.51m.—has considerable foreign currency borrowings. The effect on these of the fall in the value of the pound against other currencies is indicated in notes to the accounts.

It is shown that the amount that would have been required to repay the group's £21.91m. of foreign currency borrowings would have been £28.86m. on December 31, 1974, an increase of about £3.5m. on the £25.35m. that would have been required a year before.

No provision has been made for ta xwhich would be payable if the investment properties were realised, other than a sum of £1.74m., which has been included in the taxation equalisation account. This is a point subject to a qualification by the auditors, Lubbock Fine and Co., in its report. They say that, except for the £1.74m., the company has not estimated the amount of capital gains tax that would become payable under present legislation in the event of future sales of properties at amounts stated in the accounts.

Apart from the Electricity Supply Industry Superannuation Schemes, the other major shareholders are Phoenix Assurance, with 14.85 per cent.; and Gresham Trust with 4.72 per cent. A further 28.55 per cent. is in the hands of directors and staff, particularly Mr. Boris Marmor, a director, who owns 4.94m. shares — 24.7 per cent. of the equity.

Ekofisk 'raising $275m. loan'

By Mary Campbell

THE EKOFISK consortium is reported to be arranging a Euromarket loan of $275m. in what is thought could be the beginning of a new wave of North Sea oil financing.

Official confirmation of the loan and its details are not yet available. However, it is believed that final maturity will be eight years, with two years allowed for the full amount to be taken up.

The bank lending group is expected to be much the same as for the $600m. Euromarket financing for Ekofisk last year, with Citicorp International and Société Générale de Banque as lead managers.

The borrowers are thought to be two of the three companies involved in last year's deal, with Norsea Pipeline borrowing $190m. and Norpipe Petroleum $85m.

Norpipe Petroleum is half-owned by the Norwegian Statoil and half by the Phillips Group. Norsea Pipeline is wholly owned by Phillips.

Changing Euromarket Page 13

Weather

U.K. TO-DAY

DRY, sunny intervals in most places. Some drizzle likely in extreme S.W. A few showers in N.E. at first.

London, S.E., Cent. S., E., N.W. and Cent. N. England, E. Anglia, Midlands
Dry, sunny intervals. Wind variable, light. Max. 21C (70F).

Channel Isles, S.W. England
Cloudy, occasional drizzle. Wind S.W., light. Max. 20C (68F).

Wales, Isle of Man, N. Ireland
Sunny intervals, cloudy later, dry. Wind S., light. Max. 19C (68F).

N.E. England, Borders, Aberdeen, Moray Firth, N.E. Scotland
Dry, sunny periods, some scattered showers at first. Wind N.W., moderate, becoming light. Max. 18C (66F).

Lakes, Edinburgh and Dundee, S.W. Scotland, Glasgow, Cent. Highlands, Argyll, N.W. Scotland
Dry, sunny periods. Wind N.E., light. Max. 18C (68F).

Orkney, Shetland
Dry, sunny periods. Wind N.E., light or moderate. Max 15C (59F).

Outlook: Dry, sunny intervals in E. at first. Rain in W., spreading to all parts later. Temperatures near normal.

Lighting-up: London 20.49, Manchester 21.03, Glasgow 21.19, Belfast 21.22.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexandria	S	30	86	Madrid	S	30	86
Amsterdm	S	21	70	Manchstr	C	18	64
Athens	S	29	84	Melbourne	S	17	63
Bahrain	S	28	82	Mexico City	S	19	66
Barcelona	S	28	82	Milan	S	28	82
Beirut	S	29	84	Montreal	C	25	77
Belfast	C	16	61	Moscow	S	22	72
Belgrade	F	27	81	Munich	S	22	72
Berlin	C	18	64	Newcastle	C	13	55
Birmghm	F	20	68	New York	C	20	68
Bristol	C	20	68	Oslo	C	15	59
Brussels	R	17	63	Paris	C	23	73
Budapest	S	26	79	Perth	S	18	64
B. Aires	S	16	60	Prague	S	24	75
Cairo	S	32	90	Reykjavik	C	11	52
Cardiff	F	19	66	Rio de J'o	S	28	82
Copenhagn	F	18	64	Rome	F	27	81
Dublin	F	18	64	Singapore	C	29	84
Edinburgh	C	16	61	Stockholm	F	20	68
Frankfurt	R	20	68	Strasbourg	C	22	72
Geneva	F	22	72	Sydney	S	15	59
Glasgow	C	17	63	Tehran	S	29	84
Helsinki	C	11	52	Tel Aviv	S	30	86
H. Kong	S	31	87	Tokyo	C	31	87
Jo'burg	C	13	55	Toronto	S	19	66
Lisbon	S	25	77	Vienna	S	27	81
London	S	22	72	Warsaw	S	27	81
Luxembrg	C	16	61	Zurich	F	22	72

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	27	81	Las Palmas	S	25	77
Algiers	C	19	84	Locarno	S	26	79
Biarritz	F	26	79	Luxor	S	37	99
Blackpool	C	18	64	Majorca	S	31	88
Bordeaux	R	22	72	Malaga	S	28	82
Boulogne	D	17	63	Malta	S	30	86
Casablnca	S	25	77	Nairobi	C	17	63
Cape Town	S	17	63	Naples	S	28	82
Corfu	S	30	86	Nassau	S	30	86
Dubrovnik	S	29	84	Nice	S	27	81
Faro	S	30	86	Oporto	C	22	72
Florence	S	30	86	Rhodes	S	30	86
Funchal	S	24	75	Salzburg	S	24	75
Gibraltar	S	30	86	Tangier	S	26	79
Guernsey	C	17	63	Tenerife	S	21	70
Innsbruck	C	21	70	Tunis	S	31	88
Inverness	C	14	57	Valencia	S	30	86
Istanbul	S	27	81	Venice	S	27	81
Jersey	C	18	64				

S—Sunny. C—Cloudy. F—Fair. R—Rain. D—Drizzle.

Continued from Page 1

Crucial week for £6 limit

career. His aim will be to project himself as the national leader above partisan political battles, and his theme will be that inflation will be beaten only if the Government has the loyal support of all sections of the community.

But many politicians believe the broadcast will be directed primarily towards putting public pressure on Left-wing trade unionists who regard the £6 a week limit as a threat to the whole concept of free collective bargaining.

Mr. Wilson will return from the Scillies on Wednesday afternoon and record the six-minute statement at Broadcasting House. He may stay in London overnight but there are no plans at present for any Ministerial meetings. The Scillies holiday will then be resumed.

The broadcast coincides with the launching of the £2m. counter-inflation publicity campaign which will run through the autumn and winter when the Government wants the nation's full backing to deter any maverick unions from seeking to break the wages ceiling.

Mrs. Margaret Thatcher, the Conservative leader, plans to ask Mr. William Whitelaw, her deputy, to exercise the right of reply on Thursday. She will return from her canal cruising holiday in France only if Mr. Wilson is politically controversial, and this seems unlikely.

Although Mr. Whitelaw can be expected to call for further cuts in public expenditure and for the Government to drop its nationalisation plans, he is likely to support Mr. Wilson's call for income restraint.

An indication of the Opposition's attitude came yesterday from Mr. Reginald Maudling, the "shadow" Foreign Secretary, who said in a BBC radio interview that he sincerely hoped the Government's anti-inflation policies succeed. "Mr. Wilson is the best Prime Minister we have got," he added cryptically.

But a Tory back-bencher, Mr. Robert Adley (Christchurch and Lymington) argued in a Saturday speech that instead of spending £2m. on a propaganda campaign, Mr. Wilson would do better to give £1m. to Mr. McGahey and Mr. Scargill to persuade them to go to live on a Pacific island.

Registered at the Post Office. Printed by St. Clements Press Ltd. for and published by the Financial Times Ltd., Bracken House, Cannon Street, London EC4P 4BY.